उसका एकमात्र दिल्ली एक ऐसे क्षेत्र है जहां के लोगों की हत्या करकर उस पार्टी के कार्यकर्ताओं को डिमोरलाइजेशन किया जाए, उनके कार्यकर्ताओं को मारकर उस पार्टी को आईंदा सत्ता में आने से रोका जाए तो यह बड़ी शर्मनाक साजिश होगी और इस शर्मनाक साजिश का मुकाबला सिर्फ उत्तर प्रदेश की सरहदों में रहकर नहीं किया जा सकता। केन्द्र की सरकार की यह जिम्मेदारी बनती है कि अगर देश के किसी भी हिस्से में लोगों के साथ अन्याय होता है और यह काम वहां सत्ता में रहने वाले लोग करते हैं और वे लोग जो फसिज्म के चैंपियन माने जाते हैं,....

1.00 P.M.

एक ऐसा प्रदेश जहां फिर एक रथ चलने वाला है ऐसा रथ जिसने पूरे हिन्दुस्तान को खून में नहलाया था....(व्यवधान)

श्री के० आर० मलकानी: क्या मतलब है ...(व्यवधान)

Who is he to challenge us? ....*(Interruptions)*.....

Who is he to talk of fascism? ....*(Interruptions)*

उपसभापति: बोलिए।

श्री मोहम्मद आज़म खान: मैडम उत्तर प्रदेश हिन्दुस्तान का दिल है, हिन्दुस्तान की सबसे बड़ी आबादी का प्रदेश है और यहां से उठी हुई नफरत की चिंगारी पूरे देश को आग में झुलसा देने का काम करती है। एक रथ पहले भी चला था। उस रथ ने पूरे देश को खून में नहाया था।

प्रो० विजय कुमार मल्होत्रा: यह क्या हो रहा है। ...(व्यवधान)

श्री के० आर० मलकानी: यह रथ बार-बार चलेंगे।

THE DEPUTY CHAIRMAN: Now, Shri Yerra Narayanaswamy.

श्री मोहम्मद आज़म खान: मैडम, मैं अपना सैंटेंस पूरा कर दूं।

उपसभापति: कंपलीट कर दीजिए।

I will not. ....*(Interruptions)*.... Order in the House.

SHRI GURUDAS DAS GUPTA (West Bengal): Madam, what is the problem?

Madam, what is the problem with the rath? ...*(Interruptions)*...

THE DEPUTY CHAIRMAN: I don't know. I have to ask the House. ...*(Interruptions)*... One minute please.

श्री जरेन्द्र मोहन: सदन को गुमराह किया जा रहा है। ....(व्यवधान) मुझे भी एक मिनट का समय चाहिए।

उपसभापति: आप बैठिए, मैंने आपको परमिट भी किया है।

श्री जरेन्द्र मोहन: मैडम, ...(व्यवधान)

THE DEPUTY CHAIRMAN: I am going to adjourn the House. ...*(Interruptions)*... I was going to give time to the Members to speak on Zero Hour Submissions and Special Mentions. You people don't want to take them up. So, I adjourn the House for lunch for one hour.

The House then adjourned for lunch at two minutes past one of the clock.

The House reassembled after lunch at six minutes past two of the clock, [The Vice-Chairman (Shrimati Jayanthi Natarajan) in the Chair.]

THE APPROPRIATION (NO. 3) BILL, 1997 AND THE FINANCE BILL, 1997—CONTD.

THE VICE-CHAIRMAN (SHRIMATI JAYANTHI NATARAJAN): Now, we take up further consideration of the Appropriation Bill and the Finance Bill. Before that, I would like to announce that since yesterday the Members whose names were listed were not present, today that much amount of time has been cut down. So, the time available to all the parties has now been correspondingly cut down because this Bill will have to be returned to the Lok Sabha today. Now, the time available for the Indian National Congress is 1 hour and 30 minutes; time available for the BJP is 12 minutes; time available for the Janta Dal is 30 minutes.

SHRI RAGHAVJI: Madam, it was decided that four hours will be reallocated among the parties.

THE VICE-CHAIRMAN (SHRIMATI JAYANTHI NATARAJAN): Of course, it has been reallocated....

SHRI RAGHAVJI (Madhya Pradesh): It has not been reallocated...

THE VICE-CHAIRMAN (SHRIMATI JAYANTHI NATARAJAN): No, no. Just one minute, Raghavji.

SHRI RAGHAVJI: Madam, it was decided in the Chamber...*(Interruptions)*...

SHRI SATISH AGARWAL (Rajasthan): Madam, Vice-Chairperson, you will be able to accommodate all of them...*(Interruptions)*...No probelm.

THE VICE-CHAIRMAN (SHRIMATI JAYANTHI NATARAJAN): I am just bringing it to the notice of the Members. We have to finish it today. ...*(Interruptions)*... Please keep it in mind. The CPI (M) has 24 minutes; the AIADMK has 5 minutes; the Telugu Desam has 12 minutes; the SP has 10 minutes; the CPI has 9 minutes. How many speakers are there? Oh! there are many speakers. I request the speakers to please be a little moderate. Mrs. Kamla Sinha.

श्रीमती कमला सिन्हा (बिहार): मैडम, मैं भारत सरकार की समेकित निधि से कुछ रकम की निकासी के विधेयक और वित्त विधेयक, फाइनेंस बिल, 1997-98 के पक्ष में बोलने के लिए खड़ी हुई हूं। वित्त विधेयक के पक्ष में बोलने से पहले मैं कुछ बातें कहना चाहूंगी।

महोदया, पिछले जून महीने से यूनाइटेड फ्रंट की सरकार चल रही है, बीच में थोड़े समय के लिए व्यवधान हो गया था, कुछ राजनीतिक उथल-पुथल सी हो गई थी क्योंकि प्रधान मंत्री श्री देवेगौड़ा जी ने प्रधान मंत्री पद से त्याग-पत्र दे दिया और दूसरे प्रधान मंत्री जी आये, श्री गुजराल जी प्रधान मंत्री बने। लेकिन यूनाइटेड फ्रंट की जो नीति निर्धारण समिति है, स्टेयरिंग कमेटी है उसने कामन मिनिमम प्रोग्राम के आधार पर जो नीतियां निर्धारित की हैं, वह सरकार का मैग्राकाट्टा है, गाइडिंग स्प्रिट है। उसी के अनुसार वित्त मंत्री श्री चिदम्बरम जी ने बजट पेश किया और यह वित्त विधेयक लोक सभा से पारित हो गया है तथा अब वह हमारे सदन में पारित होने के लिए आया है। इस वित्त विधेयक के बारे में हिन्दुस्तान और हिन्दुस्तान के बाहर बहुत सी बातें और बहुत से कमेन्ट्स हुए हैं। यह कहा गया है कि यह डेवलपमेंट आरियेन्टेड बजट है, इट इज ए ड्रीम बजट, इट इज ए इनफ्रस्ट्राक्चरल डेवलपमेंट बजट एटसट्रा-एटसट्रा। मैं इसको दोहराना नहीं चाहती हूं क्योंकि समय कम है। यह बात सही है कि बजट सरकार के वित्तीय लेखे-जोखे का एक आइना होता है। हम देश को किधर ले जाना चाहते हैं, देश को कैसे आगे बढ़ाना चाहते हैं, हमारी आने वाले दिनों में देश को समृद्ध करने के लिए बेकारी को दूर करने के लिए नीतियां क्या होंगी। उसका एक लेखा-जोखा हम बजट के माध्यम से पेश करते हैं, एक नीति निर्धारित करते हैं और उसी के तहत हम काम करते हैं। इस वित्त विधेयक में वित्त मंत्री ने कहा है कि सबसे पहला दिशा निर्देशन यह है कि इन्फ्रास्ट्रक्चरल डेवलपमेंट के लिए क्योंकि जब तक विकास के लिए जो संरचना चाहिए वह संरचना तैयार नहीं की जायेगी तब तक समुचित ढंग से देश आगे नहीं बढ़ पायेगा। उसके लिए जो विशेष मुद्दा चाहिए था उसका वित्त मंत्री ने अपने बजट भाषण में जिक्र भी किया है। हम जानते हैं कि विकास के लिए जो इम्पोर्टेन्ट इन्फ्रास्ट्रक्चर है उसमें सबसे इम्पोर्टेन्ट पावर है। पावर एक ऐसी आवश्यक सामग्री है जिसकी कमी होने से, बिजली की कमी होने से, ऊर्जा की कमी होने से किसी भी कलकारखाने का कोई भी विकास का काम चल नहीं पाता है।

पिछले दिनों जो टार्गेट तय किया गया था उसमें हम लोगों ने देखा जो सरकारी आंकड़े थे 1,000 मेगावाट का शॉर्ट फाल हुआ और इस बार 1997-98 में 3,500 मेगावाट की जेनरेटिंग कैपेसिटी की उम्मीद है। इसमें बजटरी सपोर्ट 5,282 करोड़ रुपये का रखा गया है। हमारे देश में ऊर्जा के तीन स्रोत है। एक थर्मल पावर, दूसरा हाइडल पावर और तीसरा नॉन कन्वेसनल एनर्जी। इनमें थर्मल पावर का स्रोत सबसे ज्यादा महत्वपूर्ण है।

थर्मल पावर के लिए कोयला आवश्यक है। इस देश में कोयला पर्याप्त परिमाण में है लेकिन जब से हम लोगों ने उदारीकरण की नीति अपनाई है, 1990 से, तब से विदेश से हमने कोयले का आयात शुरू किया है। दलील यह दी जाती है कि हिन्दुस्तान के कोयले में ऐश कन्टेट 16 से 20 प्रतिशत है और जो विदेशी कोयला आस्ट्रेलिया और इंडोनेशिया से आता है इसमें ऐश कन्टेंट कम है। इसलिए लागत खर्च, इनिशियल कॉस्ट इसमें चाहे ज्यादा भी हो अल्टीमेटली उसका खर्च, उसकी कॉस्ट

कम हो जाती है। मुझे लगता है कि यह दलील सही नहीं है। अपने यहां जो कोयला है उसको अगर हम प्रोपली बैनेफिशियल कर लें, उसकी धुलाई, सफाई कर लें तो हम इस कोयले से अपने यहां काम चला सकते हैं लेकिन I don't know why twenty-five per cent of the total coal that is needed by the country is being imported from Australia, Indonesia and other countries.

हमारे देश में इससे संकट उपस्थित हो गया है। इस बारे में मैं यह कहना चाहती हूं कि हमारे देश में लार्जेस्ट इम्पलाइर रेलवे है। रेलवे में लगभग 17 लाख लोग काम करते हैं, उसके बाद कोयला उद्योग में साढ़े सात लाख लोग काम करते हैं। इसका नतीजा यह हुआ कि कोयला उद्योग में उसकी री-स्ट्रक्चरिंग शुरू हो गई और लोगों की छंटाई का प्रश्न शुरू हो गया कि स्ट्रीम लाइन करो और मैन पावर को कम करो ताकि इस उद्योग को एक लाभकारी उद्योग बनाया जाये। यह हालत तो हर एक पाब्लिक सैक्टर की हो रही है एक्सेप्ट दिनूं रत्न। हमारे उद्योग मंत्री ने कहा 9 जेम्स, नव रत्न उनको छोड़कर 146 में से जो हमारे बाकी पब्लिक सैक्टर्स हैं सबकी एक ही हालत हो रही है। तो मैं यह कहना चाहती हूं कि आप में से बहुत से सदस्य गए होंगे डेनमार्क, हालैंड इन सब देशों में — छोटे छोटे देश हैं हमारे एक जिले के बराबर लेकिन उनके यहां नान-कन्वेंशनल एनर्जी, विंड एनर्जी से बिजली उत्पन्न होती है। हम क्यों नहीं कर सकते। हमारे यहां सोलर एनर्जी से हम कर सकते हैं। एबन्डेंस आफ सोलर एनर्जी हमारे यहां है। हमारे यहां विंड मिल भी हम चला सकते हैं। वह भी नहीं करते। दूसरे जो नान-कन्वेंशनल सोर्सेज हैं उनका भी इस्तेमाल नहीं करते। हाइडिल पावर के बारे में महोदया, मैं कहना चाहती हूं कि इस देश में पेरेनियल वाटर बाडीज बहुत हैं। पेरेनियल रिवर्स है। हिमालय से आने वाली नदियां और दूसरी जगहों से उत्पन्न होने वाली नदियां हैं जो कभी सूखती नहीं हैं जिनमें अनवरत जलधारा बहती है। ऐसी नदियों में से भी बिजली उत्पादित की जा सकती है — उनके पानी से लेकिन नहीं की जा रही है। हमारे बिहार प्रांत में डी.वी.सी. — दामोदर वैली कारपोरेशन है। वहां बिजली उत्पन्न होती है। उससे बिहार को क्या नुकसान हुआ उस के ऊपर मैं अभी नहीं जाना चाहती हूं क्योंकि इसी सदन में मैंने बारंबार इस बात को उठाया है। लेकिन देश को लाभ हुआ। जो हो सकता था वह अभी तक नहीं किया गया है। देश की दूसरी नदियों को बांधकर उनसे ऊर्जा उत्पन्न की जा सकती थी लेकिन वह नहीं की जा रही है। हाइडिल पावर में एक बार जो लागत खर्च लग जाता है। उसके बाद केवल उसकी मेन्टिनेंस कास्ट होती है। बार बार इनपुट कास्ट उसमें नहीं होती है। लेकिन थर्मल पावर में हमेशा इनपुट्स की कास्ट बढ़ती ही जाती है क्योंकि कोयले के दाम के साथ इसका जुड़ाव है लेकिन इसमें केवल पानी है। केवल कारखाने के, मशीन्स के रख-रखाव और देखभाल की आवश्यकता है। दूसरा कुछ नहीं है। लन-टाइम कास्ट जो लगे लगे, बाकी समय में उसका खर्च कम होता है। पिछले दिन हम गए थे सिक्किम, मेघालय, इन सब स्टेट्स में। वहां देखा कि रंगीत नदी को बांधकर एन.ई.पी.सी. हाइडिल पावर जनरेट करने की कोशिश कर रही है, वह काम कर रही है। बहुत से संभव इलाके थे, टिफीकल्ट टेरेन में काम चालू है। जब वहां हो सकता है तो दूसरी जगह क्यों नहीं हो सकता है। हमारे प्रांत में — आई कम फ्राम बिहार — कोयलकारों परियोजना अगर लागू हो गयी रहती तो बिहार आज पिछड़ा नहीं होता। साढ़े सात सौ मेगावाट का यह प्रोजेक्ट आज तक पाइप लाइन से नहीं निकला है। जब पिछले दिनों एनर्जी की स्टैंडिंग कमेटी की मीटिंग हो रही थी — मैं उस समय उसकी मेम्बर थी, लास्टर इयर तो मैंने एनर्जी सेक्रेट्री से पूछा तो उन्होंने कहा कि दिस इज इन द पाइप लाइन। मैंने उनसे पूछा when it would come out of the pipeline, he said, " We are not sure about it." तो पाइप लाइन से निकली ही नहीं है। इसी तरह से कई परियोजनाएं हैं। नाथ कोयल परियोजना पाइपलाइन में लटकी हुई है। सुवर्णरेखा परियोजना पाइप लाइन से लटकी हुई है। निकलती ही नहीं है पाइप लाइन से तो डेवलपमेंट कहां से होगा। इसी तरह से मेरे ख्याल से हर एक प्रांत की हालत होगी। केवल बिहार प्रांत की ही नहीं है। कई प्रांतों में हाइडिल पावर जनरेशन का धंधा इसी तरह से चलता है। तो वित्त मंत्री महोदय इन्फ्रास्ट्रक्चर डेवलप कैसे होगा?

दूसरी बात, मैं यह कहना चाहती हूं कि वित्त मंत्री ने कहा है कि थर्मल पावर वगैरह में अपने इंटरनल रिसोर्सेज को रेज कीजिए — साढ़े पांच हजार करोड़ रुपए तक तो आप अपना कारोबार ठीक से चला सकते हैं। अब इंटरनल रिसोर्सेज की तो हालत यह है कि सारे देश के, सभी प्रांतों के इलेक्ट्रिसिटी बोर्ड्स आर इन द रेड। कोयले से थर्मल पावर जनरेशन जो होता है तो कोल इंडिया को पैसा नहीं मिलता। उसकी कीमत नहीं चुकायी जाती है समय पर। कोल इंडिया उनको धमकी देता है कि हम तुमको कोयला नहीं देंगे। बदरपुर की यही हालत है और पूरे देश में यही हालत है। नतीजा

यह है कि वे कहां से पैसा जनरेट करेंगे। मार्केट से या कहां से पैसा लेंगे? दे कैन नाट डू इट। लेकिन बजेटरी सपोर्ट नहीं है। दूसरी बात में यह कहना चाहूंगी....।

में आज भी पीने का पानी नहीं है। राजीव गांधी ड्रिंकिंग वाटर मिशन बना था, पता नहीं उसका क्या हुआ। गंगा एक्शन प्लान बना, पता नहीं उसका क्या हुआ। हम नहीं जानते, क्या हो रहा है, तीन लाख गांव में आज तक पीने का पानी क्यों नहीं है? उसका क्या उपाय होगा? How is the Finance Minister planning to do it? What can be done about it?

मैडम, दूसरा, सोशल सेक्टर में यह कहा गया है कि सोशल सेक्टर में, रूरल डवलपमेंट की काफ होगा। वीकर सेक्शन आफ सोसायटी का एमपावरमेंट होगा। अंत में मैं फायनेन्स मिनिस्टर साहब से जानना चाहूंगी, वीमेन के बारे में लिखा हुआ है सी० एम० पी० में—that the empowerment of women will be done in this 50th year of Indian Independence. What is happening? Is this being done?

मैडम, और भी अनेक बातें हैं, जिसको मैं पूछना चाहती थी, लेकिन चूंकि आपने कहा है कि समय की कमी है तो मैं यह कहना चाहूंगी कि इस देश का सर्वोन्मुखी विकास अगर करना है तो उससे एग्रीकल्चर और इंडस्ट्री, इन दो को जब तक हम ठीक ढंग से नहीं चला पाएंगे तब तक हम विकास नहीं कर पाएंगे। अभी अभी वित्तमंत्री जी विदेश गए थे, जापान गए थे और वहां उन्होंने एशियन डवलपमेंट बैंक की मीटिंग में कहा था—India will need 100 billion dollars to develop. Obviously, this will be a loan from the Asian Development Bank. How many loans are we going to take? How to repay these loans? Who is going to bear the burden?

मैडम, यह बात तय है कि सबसिडी हटाएंगे, कम करेंगे कई जगहों से। आज चीजों के दम बढ़ रहे हैं, शायद पैट्रोल का भी दाम बढ़ेगा क्योंकि आयल पूल का घाटा है। विदेश से हम ऑयल खरीदते हैं ज्यादा दाम पर और अपने यहां सबसिडाइज्ड रेट पर बेचते हैं। तो पैट्रोल का दाम बढ़ेगा, पैट्रोलियम प्रोडक्टस का दाम बढ़ेगा। यह भी कहा जा रहा है कि एल० पी० जी० का दाम बढ़ना है, चूंकि सबसिडी इतना देते हैं हम।

Let the consumer bear the burden. Theoretically, this is good. Why should everything be subsidised?

लेकिन, सबसिडी देने के पीछे जो थेसिस थी सरकार की, वह थी कि हमारा देश एक ऐसा देश है, सोशल वेलफेयर स्टेट है और सोशल वेलफेयर स्टेट में, लोक कल्याणकारी राष्ट्र में हर बात को केवल रुपया, आना, पैसा से ही गिनती नहीं की जाती बल्कि आम आदमी की सुख-समृद्धि को कैसे बढ़ाया जाए उसके बारे में भी सोचा जाता है। मैं जानती हूं कि Chidambaramji is an expert in economics. I am not match to him. I know.

लेकिन एक सोशियोलोजी की स्टूडेंट होने के नाते, पोलिटिक्स को एक स्टूडेंट होने के नाते जो देखने में आता है और जो जिंदगी से सीखा है, वह यह कि देश को आगे बढ़ाने के लिए अगर देश के प्रत्येक सैक्टर में हम समुचित ढंग से विकास का काम नहीं करेंगे तो फिर हम देश को आगे नहीं बढ़ा सकते। कृषि के मामले को ही देखिए, ठीक है, हम अनाज के मामले में सेल्फसफिसिएंट हो गए हैं, लेकिन क्या आज भी भारत के प्रत्येक नागरिक को भरपेट भोजन मिलता है? नहीं मिलता है। जितना कैलरीज चाहिए, वह कैलरीज मिलता है क्या? नहीं मिलता है। तो फिर हम कैसे कह सकते हैं कि सचमुच हमारा देश एक विकसित देश हो गया सचमुच हम विकास के रास्ते पर हैं। Even today, after the 50th year of our Independence, one-third of our total land is irrigated.

अब तक हम अपने पूरे देश की इंच इंच जमीन में सिंचाई की व्यवस्था नहीं कर पाए हैं। कारण चाहे जो भी हो, हम हर हाथ को काम नहीं दे पाए हैं। लाखों, करोड़ों लोग आज बेकार खड़े हैं और इनकी संख्या आगे बढ़ेगी ही। लेबर डिपार्टमेंट के आंकड़े के हिसाब से इस सेंचूरी के अंत में लगभग एक करोड़ और बेकारों की संख्या हो जाएगी। जो पढ़े-लिखे होंगे और बेकार नौजवान अब सड़क पर आएंगे तो वे क्या करेंगे? क्राइम एंड वॉयलेंस, दूसरा कुछ उनके सामने नहीं होगा। एक तरफ कुंज्यूमरिज्यम, दूसरी तरफ बेकारी, विदेश से सामान का खुला आयात, इसका नीजा यह है कि अपनी यंग जेनेरेशन को वी विल बी पुशिंग देम टूवर्डस डूम० तो सिचुएशन बहुत ही भयानक है, बहुत चिंताजनक है और मैं जानती हूं की चिदम्बरम जी सारी बात का निश्चित रूप से गंभीरतापूर्वक चिंतन कर रहे होंगे और इन बातों पर भी वे ध्यान देंगे।

इन्हीं शब्दों के साथ मैं इस विधेयक का पुनः समर्थन करती हूं।

SHRI: N.K.P. SALVE: Madam, the nation heaved a singh of relief when the

Tamil Maanila Congress announced its decision to join the Gujral Government. The nation was in suspense for a while and the poeple were anxiously waiting to know whether the Tamil Maanila Congress was going to join the Gujra Government or not, and there were two good reasons for that. First was the anxiety of the people in the nation that they wanted a stable Government in the country, at the Centre, and the Gujral Government could not have been stable, as stable as they would want it to be, whatever stabilitiy can be achieved in a coalition Government, but without Tamil Maanila Congress; it could not have created that kind of a confidence in the people about its stability.

The second one was that the people wanted a smooth sailing of the Budget and the Finance Bill. The Budget has been described by some people as the finest ever presented in the post-independence period. Some of them have described it as a dream Budget. Madam, it will be utterly erroneous of me if I were to say that this Budget and the Finance Bill have taken care of all the problems. It has taken certain bold measures; there is no doubt about it. We welcome them. Courageous measures have been taken, but it is only the beginning of the things. Many things remain unanswered. Satishji made a speech yesterday and raised several points. Unfortunately I was not here to hear him, but I was listening to Mrs. Sinha. She made a very valid point, a crucial point: How are we talking of sustaining growth without adequate infrastructural development. There has to be infrastructure commensurate with development to be able to sustain growth, and power sector is the Achilles' heel in the infrastructural development. Where are you going to find so much money? Madam, in 1996-97, industrial growth declined primarily because there was a decline in generation of power, and it is unavoidable, and in the days to come, I do not see any panacea; there is going to be more and more hardship to the people, greater and greater hardship to the industry, to the agricultural sector and to the domestic sector, because additionality of generation capacity is not coming up, and so far as the State sector is concerned, it is simply rotten in power. That is the only most charitable view I can take of it, I can describe it as simply rotten. They have plants, they have power plants in which the plant-load factor
is less than 30 per cent, 25 per cent. Why don't they make over these plants to NTPC? I made this suggestion last time. I do not know what the Finance Minister's reaction is, but please ensure that the plants in the State sector which are working at an efficiency of less than 50 per cent plant-load factor, are transferred to NTPC. NTPC will raise the plant-load factor to 70-75 per cent with a rider that the power so generated in those plants would be supplied only to the State provided the State pays for it.

[The Vice-Chairman (Shrimati Kamla Sinha) ***in the Chair.***]

Be that as it may, there are quite a few problems. But so far as the taxation burden is concerned, I must submit that the rates of taxation which have been prescribed in the Finance Bill no longer make the taxation extortionate. They are considered fair. They are considered reasonable. They are considered equitas. They would properly reward initiative. They will reward skill. They will reward enterprise. They will reward hardwork and encourage savings. A vested interest has to be created in tax-payers in payment of taxes. They should feel happy paying taxes. There are three types of tax-payers. Certain tax-payers, however irrational the rates may be, will comply. The second type of tax-payers are those who respond to the quality of taxation and quite a number of them feel and go with easy conscience that, "well, tax rates are so extortionate". There was a time when income tax was 97.75 per cent. You are dealing with human beings, not with

human robots—would not a person want to earn Rs. 5 under the table and consider it more lucrative than workhard and earn Rs. 100 on which he will not be able to save more than Rs. 2.25/-? That is the kind of taxation that has been there. One of the main reasons in favour of voluntary disclosure for those who are challenging it on the ground of morality, on the ground of ethics; where is the ethics in a tax law? *(Interruptions)*. Listen to me.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Mr. Singla, please keep quiet.

SHRI N.K.P. SALVE: I submit that this time the voluntary disclosure scheme has been brought with a difference. Earlier voluntary disclosure schemes were brought in a regime where taxation rates were never accepted, and as fair and reasonable. This time it has been brought. I earnestly and honestly hope that it would be the last time that voluntary disclosure has been brought because the income-tax rates cannot be lower than this and there is no business for that kind of tax evasion any more. The taxation system should be respected by taxpayers. A system which is so respected by tax-payers, I submit, is a priceless pearl of the nation. It is a potent instrument to advancing the cause of economic development and social emancipation. From that point of view the philosophy which has been followed by the Finance Minister—I am talking of rates of taxation only—I have already said that there are reservations in the minds of experts and people about the grievous, distortions in the fiscal system in the country and all of them cannot be remedied by this fiscal magic. That also I understand. While speaking about the policy which has been followed, I want to refer to the report of the Expert Group to rationalise and simplify the income tax law which was constituted by the Department of Revenue, Ministry of Finance. This Expert Group has recommended:

> "No other tax lends itself so well to serve the objective of equity as income tax. Income being universally regarded as the best single index of economic power and in the ultimate analysis the acid test for the acceptability of tax is equity. Income tax has its drawback; highly progressive rates of income tax such as were in vogue in India until recently can have a deleterious effect on the economy and the society."

We were saturated and dipping in this deleterious effect both in the economy and the society as a result of which people indulged in evasion of tax. I was saying there are three types of tax-payers. I divide them into three categories. One, those who would comply with the provision of taxation, however irrational it may be. The second is, those whose reaction to tax compliance would be determined by the quality of taxation. In quality of taxation, the rates of taxation play a very important part. With this improvement in the quality of the entire tax system, where tax burden—income tax—has been made so rational, I think we will have more people in the second category because I don't care for the third category—whatever may be the rates of taxation, these people are compulsive tax-evaders. Let us reduce the number, the quantum of people in the third category; perhaps, we will be able to do that. I quote further, "A steeply progressive tax on income, saps the incentive to save, invest and take risks. Equity also suffers. When the tax rates are perceived as unreasonable, even the law abiding citizens resort to tax evasion with an easy conscience." I justify the voluntary disclosure scheme because after this, nobody can evade tax with an easy conscience. I quote further, "Such a tax system fails to achieve any of the desired objectives and commands no respect among the people, bringing the entire system to disrespect." Madam, has there not to be morality in tax laws? You give sermons of morality to the tax payer and

tell him that tax avoidance is a national crime, that tax evasion is a national crime. I know the efforts that go into evolving schemes and evolving models to be able to avoid taxes. Madam, I want to quote the Supreme Court in this matter. Those of my friends who are not in favour of voluntary disclosure, would do well to listen to what Justice Sabyasachi Mukherjee had to say in the case of *Commissioner of Sales Tax* vs*Arvind Norotam* reported in 1988—173 ITR—479 at page 487. Justice Sabyasachi Mukherjee was considered one of the ablest men in taxation matters. He says, "It is true that tax avoidance in an under-developed country or a developing economy should not be encouraged on practical as well as ideological grounds. One would wish, as noted by Justice reddy in *McDowel and Company Limited*, CTO, 1985—154 ITR—148 Supreme Court, that one could get the enthusiasm of Justice Holmes, that taxes are the price of civilization and one would like to pay that price to buy civilization. But the question which an ordinary tax-payer asks very often in a country of shortages and ostentations consumption and deprivation of large masses is: Does he, with tax, buy civilization or does he facilitate the waste and ostentation of a few? Unless waste and ostentation in the Government's spending are avoided, no amount of moral'sermons would change the people's attitude to tax avoidance." This is not what I say. This is what one of the best legal minds in tax laws sitting in the Supreme Court has stated. Madam, therefore, I submit, if people have evaded and avoided tax, give them a chance to come to the path of rectitude.

It would have been unfair if such a chance had not been given. For the first time, all over the country, all the tax payers have applauded the rates of taxation. They may have differences over other aspects of the fiscal system and fiscal affairs. But on tax, unanimously, tax payers have welcomed this and once you reduce taxation to a reasonable level, a level acceptable to people, it would command the respect of the people. You must allow tax-payers to come to the path of rectitude as the last measure. Therefore, whereas I welcome the philosophy behind reduction of taxation, sustained effort is required to ensure that we continue with growth. I am happy to find that the fiscal deficit has been fixed at 4.5 per cent. Very creditable, and I wish him luck. I hope he is able to achieve it. I have no doubt whatsoever the buoyancy will come. With reduced taxation, there is going to be better compliance than what we had been having before.

But fiscal deficit is not a disease, it is only a symptom. Real disease is something else. Are we generating enough surplus revenue to be able to invest in our capital requirement? Madam, you made a very valid point. You were absent when I referred to it that if we are not going to develop our infrastructure, how on earth do we expect to be able to sustain the growth, seven to eight per cent growth rate for seven to eight years? It will be a different country we will be living in. We have, of course, as you rightly pointed out, the problem of drinking water. Madam, we have actually, to my mind two or three basic problems. The biggest problem is population. The next problem according to me is that of education. Someone writes his name and we treat him as literate. What a rotten, absurd, criterion! Let the man understand something. Unless the person is educated, he will never be able to understand what is really good for him and good for the family. We have been blessed with traditions for centuries and centuries that the common man in the village today, even now, knows how to carve out his life and living. How long shall we allow them to live in ignorance? Education and training is an extremely important aspect of the matter because with that we will also be tackling the problem we are facing today. We have to instill a sense of dignity of labour. To me a

mason, a carpenter, a mechanic, a driver of a truck or a motor car or a tailor should be considered a person on a social level, on a social strata, on the same social stage as anyone who is holding a white-collared job as a clerk or as a stenographer and that stage will only come if there is more education; that we do not offer. I have also been in the Government and I know how it is, what it is. We all will say that the literacy percentage is so much and the illiteracy percentage is so much. Earlier, to say the least, it was a total hogwash, hypocrisy of the highest order. Let us lay down revised criteria of education. Madam, I must refer to what happened in Britain this time. The Labour Party was in the dumps because that has also got something to do with economic philosophy, reoriented economic philosophy. A party was relaunched by John Smith. Unfortunately, he is no more. Madam, he reoriented the entire Labour policy and revived the manifesto. As a result of that the labour Party had a landslide victory, unprecedented victory in the preceding several years. Madam, John. Smith said that he was relaunching the Labour Party as a party of the citizens and that he intended to chart in future chart a course that the traditional associations of the party with the State ownership, high taxation and trade union power will be buried forever. In a reference to the Labour party's old attachment to public ownership of the commanding heights of economy, John Smith said that the new commanding heights were education and training and that ought to be the commanding heights today for us also. He categorically said that there would be no commitment to re-nationalise in the next manifesto of the Labour Party and that the most important priority would be to invest in people, to provide opportunities and skills that were the building blocks for individuals and national prosperity. Have we worked on these lines in the preceding fifty years? It is most unfortunate that we do not fall back upon the concepts of social justice based on ethical socialism.

We followed ideological socialism. India purported to become a socialist country by a Constitutional Amendment in 1976. The nation has anxiously waited for the dawn of a new era when all of us like John Smith and the present British Labour Party leader, Tony Blair openly dissociated ourselves from ideological socialism and espoused social justice which is ethical socialism. This requires great courage. It requires courage of conviction and sincerity of purpose. Let us forget politics of populism and take the path which has brought about miracles of economic growth in some developing countries which are successfully tackling the problems of unemployment and poverty. The proposals in the Finance Bill, 1997 are couragious steps and are in the right direction, I must submit, Madam. This is so far as the most important aspect of the Finance Bill is concerned.

But there are some very crucial points which are of immediate national interest to which I would like to make a very, very fervent reference and that is the concern which I have in my heart and mind about the increasing loss of credibility of the public life and the loss of credibility of the people in public life. Never before was a man in public life viewed with such contemptaous distortion as is viewed today. All politicians are considered corrupt and are considered as contemptible selfish beings. Members of Parliament are not only considered as corrupt but also considered as incompetent to govern the country and immoral. Parliament's dignity, its credibility, Parliament's majesty and supremacy in the matter of governance of the State is considered a joke. The courts have no longer any respect left for the rights of Parliament. Will it not destroy the very institution of Parliament? Will it not then ruin the very foundation of India's democracy? Corruption in public life and in government has to be curbed with a firm hand. But that should be done without

destroying the very system, the very institutions which are sanctified by the Constitution. These cannot be allowed to be destroyed.

G.K. Chesterton, in his brilliant essay, 'The Mad Official', analyses how a society goes mad. The rot begins, he says, when wild actions are received calmly by society. "These are people that have lost the power of astonishment at their own actions. When they give birth to a fantastic passion or foolish law, they do not start or stare at the monster they have brought forth...These nations are really in danger of going off their heads *en masse*, of becoming one vast vision of imbecility." India is one such country which is today wholly immune to distortions and allowing helplessly the vital Constitutional institutions to discredit themselves as though we are going off our heads *en masse*.

A few things have happened in this country which have really destroyed the credibility of public life. Unfortunate they are, but it is for the Parliament itself to ensure that we restore the credibility of public life; we restore the credibility of all the politicians; we restore the dignity of this House; the majesty of this House and the supremacy of this House in the matter of governance.

3:00 P.M.

Madam, recently 80 MPs were taken perhaps on a free trip through Frankfurt to Chicago. Each Member of Parliament, Madam, is a leader in his own right. People in Chicago or at least the Indians living there, one thought, would welcome them. Instead of that, one of the Indians took out a two-page advertisement. And this is a matter for all of us to ponder over and think. If we are going to fling allegations of corruption, allegations of misbehaviour, allegations of misdemeanour in public life, I do not know whether the other fellows are affected or not but we belittle the dignity of the Parliament itself. This is what I get from *The Hindustan Times*. Mr. Khushwant Singh in the column that he writes, 'With Malice Towards One and All', says that, "Recently 80 Indian MPs were taken by Air India for a free trip through Frankfurt to Chicago. Far from spreading a red carpet to welcome them, many local residents of Indian origin went out of their way to tell them what they thought of them and most of our political leaders. One of them, Paul Kalra, who describes himself as "a very concerned Indian citizen" took a two-page advertisement in a local paper to publish an open letter to the 80 MPs "who have come to Chicago...". And *inter alia* he says, "As leaders of India you have been total failures. If the citizens of India could have, they would have painted a big 'F' for Failure on your fronts and backs before your departure for all Chicagoans to see. You have mismanaged the country and its people into a state of despair and hopelessness". And then he further writes, "Each politician without exception and most politicians", according to him, "were corrupt". He further says, "You spend most of your political careers enriching yourselves and your family...". This is what he is telling the Parliamentarians!

SHRI JOHN F. FERNANDES (Goa): Who is telling this? Is it Mr. Khushwant Singh?

SHRI N.K.P. SALVE: This is an advertisement in a paper in Chicago. It says: "You spend most of your political career enriching yourselves and your family members, empowering yourselves and indulging in petty political fights with no time and energies left for the good of the people". The most disconcerting feature, Madam,...

SHRI JOHN F. FERNANDES: Madam, I was a member of that delegation. It was a Civil Aviation Ministry's delegation. But I have never come across any such advertisement. On the contrary, the Indian community, including the intellectuals, invited the 80 MPs at the Institute of Technology and we gave a very good presentation there. The matter

about which they were lobbying was for getting a JAC for Air India. That was the main thing that we had come across. When we told them that they had to invest their money back in India, they had no reply. I don't know whether what has been mentioned here is correct or not. Only Mr. Khushwant can be an authority on this. He should not be quoted as if he is the only wise man in this country. Madam, I happened to be a member of that delegation.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Whatever he is doing, he is doing it in his own wisdom. You don't have to interfere.

SHRI N.K.P. SALVE: Madam, I am glad to hear this from the hon. Member because I myself...

SHRI JOHN F. FERNANDES: But, Madam, you are casting aspersions on us. It is not proper.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): No, no. I am casting any aspersions.

SHRI JOHN F. FERNANDES: We have every right to defend ourselves.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Just a second, Mr. Fernandes. Whatever he is saying, he is reading a quotation from somewhere and he is doing it in his own widsom. So, let him do it.

SHRI N.K.P. SALVE: Madam, I am glad that the hon. Member...*(Interruptions)*

SHRI SATISH AGARWAL: Madam, the hon. Member was a member of that delegation and he has the right to clarify his position.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Oh sure! This is on record. The submission is on record.

SHRI RAGHAVJI: The hon. Member was a member of that delegation. He has a right to clarify.

SHRI N.K.P. SALVE: Madam, I don't grudge his intervention at all. I don't grudge it at all. In fact, these kinds of writings and these kinds of observations are extremely cynical. I don't accept it. And if it had not been advertised then Mr. Khushwant Singh has written something wrong becuase he has quoted the advertisement. If he has quoted something wrong, well, I don't know who is right and who is wrong. But I myself don't accept all this.

All that I am saying is that he further says, "The only ray of hope for India now is it Supreme Court. Without it, you would continue to loot, plunder and destroy the country at a rate faster than the English people did before our Independence."

Madam, I am going to read...

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Mr. Salve, there are four speakers from your party and you have just one hour and thirty minutes. You have taken 35 minutes.

SHRI N.K.P. SALVE: Have I already taken 35 minutes?

THE VICE-CHAIRMAN: Yes.

SHRI N.K.P. SALVE: Madam, I don't agree with this kind of a thing for the simple reason that recently —listen to this Mr. Fernandes — Lord Rees-Mogg came to India — Lord Rees-Mogg is a very famous English personality, Madam, — as a guest of the K.K. Birla Foundation, and delivered a lecture on the World outlook for the next century — in the article which he wrote in *The Times* of London on the 11th of March 1996, he says, "Anyone who wants to understand the modern world must make a personal passage to India, which was the deepest and the most resilient culture of the four likely economic superpowers of the next century, more stable and politically advanced than China, not yet denatured by the modernism of the United States and Europe. Indian civilisation is a great lake into which the rivers of different cultures

have followed... each depositing a new layer...whatever government is elected in May" — He had come before May —— "this liberalisation will not be reversed, becuase it is working. ...In India one can see the inevitability of Asian economic expansion despite the serious problem of population growth."

In the *Times* of the 16th of March, 1996, a British correspondent, agreeing with Lord Rees-Mogg, said the following about the technological advance of India. This is what that correspondent said in the *Times*, Madam. "Lord Rees-Mogg should know that when he books a seat on British Airways, the computer that handles his booking is in Delhi; that when he pays his British telecom bill, their computer is in Bombay, that many of the operating systems for IBM's computers are written by roomsful of well-dressed, polite, efficient, English-speaking young ladies, with mathematics degrees, working in well-lit modern offices in Bangalore." This is what we have been working, to achieve what?

The rest of the world takes the same view as Lord Rees-Mogg. The U.S. foreign direct investment in South Asia has touched a record two billion dollars in 1995, with over 1.2 billion dollars of this coming to India, which means that more than half has come to India.

To be globally competitive, a country must be blessed with two favourable factors — unlimited reservoir of talented and skilled labour and an abundance of capital available for new projects. A World Bank report, published a few years ago, indicated that India had both these factors in abundance.

We have had 5000 years of civilisation behind us. This is the correct view, Madam. A person who feels insulted by that advertisement should tell him that we have 5000 years of civilisation behind us — a civilisation which reached the "summit of human thought" in the words of Ralph Waldo Emerson. Speaking quite dispassionately, the people of India inherited great skills and many-splendoured intelligence, since the genes had evolved over five luminous millennia. The trader's instinct is innate in our ethos, as Mr. Palkhivala says, "An Indian can buy from a Jew and sell to a Scot and yet make a profit." This is what true India is. But, certainly there are distortions. Distortions have come about, Madam. People think that the Supreme Court is the panacea for every mismanagement of the country. Overtly and covertly, are we handing over the majesty; are we handing over the supreme power of the Parliament to the hands of the courts?

The CBI has become another monster, frankly speaking. It is a law unto itself. The chief thinks that he has no rule of conduct to abide b. He thinks that his private humour and his own high profile approach is the best that he can do. Madam, a great intellectual was interviewed about how we are bartering away the interests of the Parliament by allowing courts to take over and overtly and covertly come to take over the affairs of the Government.

In fact, article 75 (3) of the Constitution provides that the Ministers shall be collectively responsible to the Parliament. Commentators on Constitutional law have said that Parliament wields supremacy in the matter of governance over the Ministers. Now, this gentleman who was interviewed was a knowledgeable person and a question was put to him. The question was, "....the court's orders and observations in public interest litigation cases like the Hawala, Chandraswami and Housing scam gave an impression that the court was running the country. Is it constitutionally permissible?" The answer was, "I understand that you refer to what you in the media have labelled as 'judicial activism'. Here the court often exercises its power to issue a writ of *mandamus* or prohibition. I have always said that courts should exercise restraint in the exercise of this power and it should not project itself as a crusader for a cause. It must not give the impression that the Judge or Judges have pre-

determined the issue. Such conduct impinges on the credibility of the court and its impartiality." Further he says, "...in criminal cases if the Supreme Court intervenes, care must be taken to ensure that its conduct or observations do not prejudice the case of the accused. It should not take on the prosecution role or give the prosecution a feeling that it wants the prosecution to act against the accused. Any such over-activist role may misfire as it had happened in Antulay's case and may give the impression that the court is loaded against the accused." This gentleman further said, "As far as possible *in camera* proceedings must be avoided because they send wrong signals down the line even though the Bench had time and again said that it was not entertaining merits."

SHRI SATISH AGARWAL: It is a long interview given by the former Chief Justice of India. ...*(Interruptions)*...

SHRI N.K.P. SALVE: I am not going to read the whole of it. ...*(Interruptions)*... Satishji, does it not concern you?

SHRI SATISH AGARWAL: Yes, very much. ...*(Interruptions)*...

SHRI N.K.P. SALVE: What are we doing to restore and ensure our own rights, the dignity of Parliament? Institutions cannot be allowed to be destroyed like this. It is very important, Madam. I submit respectfully, I am not criticising any judge, personally I have great respect for the present Chief Justice of the Supreme Court, who is a very able man, a brilliant man, a man of unimpeachable integrity. But, when your Chief Justice himself says that the procedures you adopt are impermissible in the Constitution then it is a matter over which you should reflect yourself and not do such things. But, are we also not willy-nilly privy to giving courts this kind of power and authority. What kind of public interest litigation are we having today? They are only against the men in public life, against politicians, and against Members of Parliament. This is not fair.

This is what I would appeal to everyone. The other day Narendra Mohanji, who is a new Member, who has made an impact in Parliament —at least, he made an impact with his extremely restrained dignified and knowledgeable approach—accused the Government imputed motives that the Congress Party had received foreign contributions and the Government was not taking any action because we were supporting them. He based his entire accusation on a report which appeared in a newspaper. The Government is not going to show us any favour. The Finance Minister and under him the Income-tax officer foisted the liability of Rs. 24 crores in taxation for non-compliance in certain vital matters. So, nobody is going to spare us. We do not expect them. But, was it fair to do so without knowing the full facts and without knowing the full law? Madam, the scheme of the law is that the Indians are allowed to give donations; whether they give it themselves or through a company. They can give it through a company in India or they can give directly themselves. An Indian company cannot give donations to a political party if it is controlled by foreigners. Therefore, if a donation has come from a company aborad, incorporated abroad, which is controlled and owned by Indians, it does not come within the purview of the Foreign Contribution Regulation Act because a foreign company has been defined in section 591 of the Companies Act; all such companies which are owned and controlled by the Indians are outside the purview of section 591.

Be that as it may, Madam, what I am trying to say is, how does it help anyone; I read this about Chicago only to bring home the fact as to how people are looking at us. Is it not so today — the Supreme Court riding the crest-wave of popularity? They depend on the support of the people. Is it fair? Is it proper? The CBI, as I said, is a law unto itself. When the Havala cases were taken up, I was

the one who pleaded with the Congress President then that an entry in a diary can never be conclusive evidence of corruption or of payment having been made. Even then, I was told that the legal opinion which was given to my President was different. I was even told that the Finance Minister was also guilty of giving an opinion in that case that an entry in a diary was good enough for prosecution purposes. Madam, it certainly was not good enough. It is inadmissible evidence. Anyone who knows elementary principles of Criminal Law would know it.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Mr. Salve, I hate to intervene. Kindly conclude.

SHRI N.K.P SALVE: Madam, I will conclude within five minutes. Hundreds of Havala cases I have handled in taxation matters and rarely were the courts willing to hold entries in book of accounts sacrosanct, books of accounts maintained regularly in the normal course of business. There is a very famous dicta by Lord Philmore in Doughty Versus Commissioner of Income Tax, 1927, AC 327 at page 336 Privy Council. "The Crown is not entitled to take a mere book-keeping entry as conclusive evidence of existence of profit." It is not conclusive evidence under any circumstances whatsoever, and even under Section 34 — entries in a book of accounts maintained in a regular course of business. What is the course of business of the person who is supposed to have maintained the diary? Bribe giving. The other day, Mr. Ram Jethmalani came here, before he aurged this case, and asked me, "Tell me, as an accountant, what is your concept of an account book?" I said, "Account book? Even if you write *dhobi's* account it is an account book." But that is not the kind of account book referred to in Section 34 of the Evidence Act. And to the Taxation Law, the technical rules of evidence do not apply. But in criminal proceedings, the technical rules apply always in favour of the accused. How was Mr. Advani persecuted for fifteen months? Why was Mr. Shukla persecuted for fifteen months? Was it not just witch-hunt? Are we not unleashing this kind of witch-hunt on innocent people? Can you ever restore these precious fifteen months? How much humiliation they must have faced? How much distress they must have faced? Why? Just because the CBI thinks ...(*interruptions*)... You will have your time, do not interrupt. It is because the CBI think that they are not bold enough to tell the courts that this evidence is not enough; it is not conclusive. If there was corroborative evidence and if you do find assets disproportionate to known sources of income that by itself is an offence.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Kindly conclude: Otherwise, your party-men will not have time to speak. Kindly conclude.

SHRI N.K.P. SALVE: Madam, I am concluding. Coming to the specific provisions, I have one question to ask of the hon. Finance Minister specifically. You have streamlined Section 37. You have deleted sub-sections (2), (3), (4), and (5) which deal with disallowance of legitimate business expenses by way of entertainment, advertisement, residential accommodation, board and lodging. etc., to employees. May I know any valid reason why you have not deleted Section 2 (B) which says, "Not withstanding anything contained in sub-section (1), no allowance shall be made in respect of expenditure incurred by an assessee on advertisement in any souvenir, brochure, pamphlet, etc., or like publication by a political party?"

This report which I had referred to earlier also says that any expenditure incurred wholly and exclusively for business purposes should be allowed. Any Tom, Dick and Harry can issue a souvenir and that expenditure is allowed. Any sports organisation issues; it will be allowed. Any social organisation issues; it

will be allowed. Any cultural organisation issues; it will be allowed. But why are you disallowing it in the case of political parties? Please allow people and political parties to live honestly, Mr. Chidambaram. Let us put an end to hypocrisy sometime or the other.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): If there is a consensus in the House, we will look into it. You appeal to your friends there. If there is a consensus in the House, we will look into it.

SHRI N.K.P. SALVE: I am sure, if you had deleted 2 B, nobody would have objected.

SHRI P. CHIDAMBARAM: Nobody may have noticed it.

SHRI N.K.P. SALVE: I referred to this advertisement quoted by Mr. Khushwant Singh, which was brought out in the U.S.A. They don't see whether a politicians belongs to the TMC or the Congress or the BJP or even to the Communist Party. We are all painted with the same brush.

SHRI P. CHIDAMBARAM: You appeal to your colleagues in the House. Let us see what they say. We will certainly look into it.

SHRI N.K.P. SALVE: Madam, only one more point and I am done.

The Expert Group had recommended, on page 100, about penalties, I have seen, invariably, that penalties are so high that the burden of proof increases which the Department is not able to discharge. As a result of this, even grievous offences go unpunished.

There was a wealth-tax matter that I had argued, Madam. There were two agriculturists in Chandigarh. They had failed to disclose their lands. The tax they had evaded was less than Rs. 500/-. But the penalty that was levied on them was Rs. 50 lakhs! I had only to mention this before the Tribunal. The Tribunal quashed it. This is the kind of an irrational penalty being levied. I do not know whom you want to satisfy. The Expert Group has said that the high level of penalties should be brought down. It is correct. Then, they have said: penalty should be 'Minimum 500% and maximum 100% per cent of tax sought to be evaded'. For God's sake, don't lay down any minimum penalty. Let us put it at 100 per cent, depending on how grievous the offence is.

My last point is about agricultural income. You have brought in a provision. Of course, you did not bring it. It has been there for quite some time. You add agricultural income for the purpose of rate. On that, you bring to tax the total income. I would like to ask one simple question. I am not against taxing the agriculturists who are rich. Of course, the farmers must be given the legitimate price. I have never supported payment of a lesser price on wheat procurement to our own people, when the imported price is much higher. Give them the full market value. But why do not want to give them the concessions? It is a State subject—taxation of agricultural income. Is it or is it not a State subject? By this method, you are foisting the liability on the agriculturists. Because tax on agricultural income has come, *via* this route, indirectly, you are taxing agricultural income. Anyone who does not accept it would be taking an extremely technical view, as the Supreme Court seems to have taken. But on the sheer ground of morality and ethics, I do not think there is any justification for you to have this kind of a provision in the Income-tax Act. Therefore, I say that the provision relating to taxation on agricultural income must be deleted lock, stock and barrel.

Thank you, Madam.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Shri Ashok Mitra, please.

SHRI ASHOK MITRA (West Bengal): Thank you, Madam.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): There are two speakers. You have twenty-four minutes.

SHRI ASHOK MITRA: Three minutes or four minutes?

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Twenty-four minutes.

SHRI ASHOK MITRA: Twenty-four minutes? I am a rich person!

In any case, we are merely observing the ritual of Parliamentary democracy. But when I look around, I find that there is not much enthusiasm even for the observance of this ritual.

SHRI P. CHIDAMBARAM: The people who are absent are supporting it.

SHRI ASHOK MITRA: Despite the august presence of the Finance Minister, I will not be provoked.

I will make only eight or ten—what I consider to be—basic points and disappear. Or, in the picturesque expression used by the Finance Minister, I will dematerialise myself in the same manner as the Reliance shares have dematerialised. Fair enough.

Now, as I said, I will make ten or eleven points. Point number one is that I must congratulate the Finance Minister. This Budget, of which the constituents are the Appropriation Bill and the Finance Bill, represents for the first time since Independence the most unabashed, class biased Budget. It is for the rich, by the rich and on account of the rich. So, I should congratulate him on that!

Secondly, unfortunately, the assumption, on the basis of which he has presented the Budget, is flawed. What is the assumption? The assumption is that the economic reform that was ushered in 1991-92, has done miracles for the country. This is an assumption which, I think, is factually altogether wrong.

Take the three major sectors of our economy—agriculture, industry and services. Although agriculture is no longer the major economic activity, it still engages roughly 65 per cent of our total population; two-thirds of our working population is in agriculture; two-thirds of our people are dependent on agriculture. From 1991-92, if you take the six-year period, despite the fact that there have been nine consecutive good monsoons, the rate of growth of agriculture has fallen behind the rate of growth of the population. The per-capita availability of foodgrains today is lower than what it was six years ago. The per-capita availability of raw materials is also less than what it was six years ago. What has happened to the income in agriculture? It has got reduced.

Let us cross over to industry. I am now reasonably certain, and outside this House I am prepared to enter into a little wager with the Finance Minister, that the average rate of growth between 1991-92 and 1996-97 would not work out to more than 4 or 4.5 per cent for the industry as a whole over this six-year period. Already it is remarkable! The progress that we are making is that about a week ago our industrialists were claiming that there would be an 11 per cent rate of growth in 1996-97. By yesterday it had come down to 7 per cent. Today it has come down to 6 per cent. Let the Finance Minister wait. May be this 6 per cent will come down to 5 per cent or 4.5 per cent. So, the average for these six years will be 4.5 per cent.

I am just asking you this. You have 80 per cent of the population in agriculture and industry. For this 80 per cent of the population, even if I am a little charitable and give him half-a-percent extra, you have an average rate of growth of 3.5 per cent for this period. How do we get 7 per cent rate of growth with the prospect of increasing to 9 per cent? Now, who is

taking whom for a ride? What is happening?

Certainly, in the services sector, the income is exploding. There is no longer any ceiling on the income which the Boards of Directors can award for the Directors or for their offspring. So, there has been an explosion of income in the services sector. Their income has gone up 100 per cent, ten times, 15 times or 20 times in the course of these 10 or 15 years.

About the banking sector, take foreing banks and then multinational financial institutions that have come in. Take even the television sector or financial journalism. What is their proportion of the total? Certainly, if the income of this very narrow group of people jumps 15, 20, 30 or 40 times, it will have an effect on the overall rate of growth in the services sector. But, does it help the small tradesmen in the corners of streets, who sell fruit or who cook food etc. etc.? Does it help them?

You can go round and see what proportion of the total employees have benefited from this. I say this will lead to segmented growth and will benefit only 10 to 15 per cent of the population. The rest of the 85 per cent will be outside the orbit. This kind of skewed growth will help the people at the top and the Finance Minister feels that their benediction will help the rest. He may be right. He has adopted certain instrumentalities and has introduced them through his Budget. The principal feature of his Budget is lowering the income and corporate taxes across the board as if this will work miracles. There is a kind of contradiction in the claims that devotees of his Budget make. The first is their belief that lowering the income-tax rates will encourage more tax collection. Once the tax rates are reasonable, the people will contribute more in the form of taxes. That way the Government will benefit. Simultaneously there is an argument that there will be a greater incentive to invest. My friend, Dr. Manmohan Singh, is not here. When he was the Deputy Chairman of the Planning Commission, they had brought out a nice printed document on the Sixth Five-Year Plan. There was a chapter on financial resources. There they had worked out a table which showed that during the 70s, when Mr. Chavan was the Finance Minister, how year after year they had lowered the rates of direct taxes and it had adversely affected the yield of taxes. I am just bringing this to your notice as to what had happened then. But the interesting part of it is that even for the 90s, one gentleman, whom our Finance Minister has appointed a member of the expert group to review the income-tax has written an article. There too he observes that lowering of taxes does not lead to additional revenues. Anyway, forget about it. Whether that happens or not, may be the Finance Minister's other arguments would still stand that he is subsidising the rich in order to induce them to invest. The problem is that the Finance Minister is simultaneously asking them to consume more. For an average individual given to the temptations and susceptibilities of the society, it is much easier to consume than to save and invest. So, I would say that despite the Finance Minister's hypothesis, most of the money that he has offered as dole will be gobbled up in consumption. This is the interesting part of it. Having done his bit for the rich in the country, the Finance Minister still thinks that he cannot rest on his laurels. So, he says that the poor in the country, who ride on subsidised buses or enjoy subsidised power in the countryside, must be deprived of these advantages. This is scandalous....

SHRI P. CHIDAMBARAM: Who said that?

SHRI ASHOK MITRA: I say so.

SHRI P. CHIDAMBARAM: You are saying that somebody else has said.

SHRI ASHOK MITRA: I say so. I always have the courage of my

conviction. .....*(Interruptions)*... I always have the courage of my conviction.

SHRI P. CHIDAMBARAM: Are you saying something scandalous? What are you saying.

SHRI ASHOK MITRA: I always have the courage of my conviction. I would say that the implication of what the Finance Minister has done is that subsidising the food is scandalous it is immoral. This is the entire purport of the White Paper which has been issued. But what about subsidising the rich which you have done through your Budget?

SHRI P. CHIDAMBARAM: I thought that the Marxists would welcome a debate. You are never afraid of a debate.

SHRI ASHOK MITRA: What have you done? I would just make one simple point. You forget about what you have introduced in the Budget. What were your total collections from the direct taxes, the income-tax and the corporate tax? It is only Rs. 35,000 crores. What is your total income from industry and services? Leave aside agriculture because they don't pay any direct taxes. Leaving out agriculture, your income from industry and services would add up to something like Rs. 700,000 crores. Out of Rs. 700,000 crores, you are collecting only Rs. 35,000 crores as taxes which is 5 per cent. The Finance Minister has been visiting the Asian Tigers. You take any of the Asian Tigers; you would find that the level of direct taxes in each of these countries would be in the area of 25-30 or perhaps 35 per cent. In Singapore it is certainly much more. Now, this is my criterion. Let us say that we ought to have collected 30 per cent of their income from all those who are engaged in industry and services. That is to say we should have collected Rs. 2,10,000 crores.

You are collecting only Rs. 35,000 crores. There is a difference of Rs. 1,75,000 crores. This is the amount of subsidy which our system offers to the rich. Our Finance Minister is proposing to enlarge this subsidy further this year. Now after all it is their kingdom. They can chop off the goat in any way they like. There is a saying in Bengali, you can chop off the goat either at the neck or at the tail. So, for the present let him do whatever he wants to do. Will he succeed? Now, he is making two points. Number one, he thinks that with all the things that he has done, the climate would be transformed over the next ten years. What is the figure? I read in the newspapers that our Finance Minister hopes to get Rs. 100,000 crores. Am I right? Mr. Finance Minister, why don't you help me a bit.

SHRI P. CHIDAMBARAM: First you make a mistake, then, I would help you.

SHRI ASHOK MITRA: What are the figures that you talked about?

SHRI P. CHIDAMBARAM: About what? Which figure?

SHRI ASHOK MITRA: About direct foregin investment.

SHRI P. CHIDAMBARAM: $ 10 billion is what the CMP says. My party and your party have signed the same.

SHRI ASHOK MITRA: Okay, excellent. If this is what your assumption is, then, I would say that it is like...

SHRI P. CHIDAMBARAM: Madam, the only thing he must remember is that last year China got $40 billion. I sincerely hope that Mr. Ashok Mitra's advice does not travel to Beijing.

SHRI ASHOK MITRA: I did not hear you properly.

SHRI P. CHIDAMBARAM: Very convenient! I think you can forget it.

SHRI ASHOK MITRA: We are back at the old Krishna myth. So Radha is pining for Krishna. But Krishna at any given moment has at least another 500 attachments. So, the Finance Minister can keep hoping, keep hoping, keep hoping for the next ten years. Something else is happening in the short term. You have persuaded the banks to lower the interest rates in order to encourage

investment into the system. What has happened? You depend on the hot money. Out of your 22½ billion dollars of foreign exchange, fifty per cent is constituted by that hot money. The inflow of that hot money might be adversely affected as was already affected in the month of March. You are once more just within the pincer of a dilemma. I do not know how you will come out. But these are issues which you have to live with the either you succeed or the history will overtake you. Forget about it. I am worried about what happens to the country. I come from West Bengal. We have this long array of sick industrial units. Now, it is not the fault of the employees. There are about 200,000 or more employees engaged there. It is not their fault that these industries got established in West Bengal. For historical reasons, these industries were established in the eastern part of the country. And the Government, at a certain point, decided to have a shift in the industrial policy. Therefore, you told us, "you have to suffer. In those units in which you operate or work, we are going to apply the squeeze. We will sabotage these public sector units. We will not offer them credit either from the banks or from the Budget. We are not going to pay you even your statutory dues." The other point of view, of course, is that if per chance some public sector units are making a profit, you want to sell them out. Again, there is a particular economic policy which you are following.

Suppose it happens like this at a certain point. We keep on knocking at the door of this Minister and that Minister asking them to do something about the poor employees. They have their families. About 200,000 workers mean about a million people. A million people are suffering. What do we do? We go back and tell them, "Sorry, we cannot do anything. We were made your representatives. But we cannot represent." And this is the agony of the situation. Suppose these workers decide that the only road is the road of insurgency. Suppose they think, "We would take to the hills. All right, this is a system which does not care for us. We will take the road of insurgency." Then, the very same Finance Minister would not mind spending Rs. 10,000 crores or Rs. 15,000 crores or Rs. 20,000 crores for the suppression of insurgency. This is the situation which might soon arise. I am not just making a speculative model. These are things which are going to happen. Sooner or later, we, the representatives of the people, will lose control because we are not able to, we have not been able to, deliver because the Ministers are not sympathetic. And the Ministers are not sympathetic because they are slaves of a particular economic theory which has been dinned into their ears. I do not say that you are going to accept what I am suggesting today. But these are things which ought to be discussed. (*Interruption*)

SHRI SATISH AGARWAL: Can I intervene for a second? That particular economic theory which is flowing into the Finance Minister's mind flows from the Common Minimum Programme to which your are a signatory.

SHRI ASHOK MITRA: Okay, sad enough. Madam, have I taken my 24 minutes?

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Almost.

SHRI ASHOK MITRA: Then I will borrow some time from the Finance Minister's time.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): That will not be allowed. (*Interruptions*).

SHRI ASHOK MITRA: Okay. All I am saying is this. You know there will be other Budgets and we are not very far away...(*Interruptions*)...

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): You have four minutes left.

SHRI ASHOK MITRA: I have still four minutes. I am gifting them to the Finance Minister!

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): So, you conclude within four minutes.

SHRI ASHOK MITRA: It appears from the kind of things that are happening around us, not all the tidings reach New Delhi which is a subterranean development that has been taking place

in the polity, in the economy, in the sociology, and we still say that we are doing the job, we are maintaining the structure of democratic polity. You can do so only when you offer certain gestures. It is not that you say, all right, I have been taught in a particular School of Economics which says that exonomic efficiency is the only criterion, and economic criterion desires that we are going to turn away from this or that particular activity, or this or that particular group or community of people. That is not the point, because we have to keep the country together, and we can keep the country together only by offering certain gestures which, in the short run, you may say, are economic, but over the long run, it will make a much bigger sense because you are still able to say that you have been able to solve the interest of national integrity. Sometimes, this broader consideration has also an economic content which, I hope, our Finance Minister will take into account. (ends)

SHRI JOHN F. FERNANDES: Madam, I rise to support the Finance Bill and the Appropriation Bill brought by the Finance Minister. Madam, we are doing a mere practice of post-mortem because this has already been approved by the other House and we are just going to return it. As a democratic etiquette, we have to discuss it here. Madam, I mentioned last time that this Budget had been a dream Budget because the Finance Minister was projected as a dream-merchant of this country and this Budget was widely approved not by the masses of this country only, even by the Communists who are partners in the Government. ...*(Interruptions)*... Even our leftist colleagues in the Government are not approving it. So, I don't think it is a very populist Budget. It is a Budget of market economy, it is a Budget which gives incentives to trade and commerce and to the corporate sector, and the Finance Minister has been very quiet about the subsidies that he has granted to the corporate sector. It was a said that it was a wonderful Budget in the fiftieth year of our country's independence, but the Finance Minister kept it a secret from the Parliament that he was going to increase the price of petroleum products by 15 per cent to 20 per cent, and the Prime Minister had already made a statement to that effect.

SHRI P. CHIDAMBARAM: Nobody has said so.

SHRI JOHN F. FERNANDES: No; he has said that in some interview somewhere. "The petroleum price is likely to be increased; there is no way out." Madam, the deficit in the Oil Pool Account is Rs. 15,500 crores. The Finance Minister did not say from where he was going to mop up the revenue and fill the deficit gap. So, I think there is no alternative before the Government but to make this Budget a haywire Budget because he has to go to the people; he has to tax people, and any taxation on petroleum products, let us say 15 per cent, will certainly push the burden on to the common man, on essential commodities. If the Finance Minister is not going to increase the price of petroleum products, well and good; let him say so; we will welcome it.

AN HON. MEMBER: Is he going to react just now?

SHRI JOHN F. FERNANDES: No; he will react later on. Madam, only one per cent of the people in our country pay income tax. The Government of India says that 40 per cent of the population in our country is below the poverty line. If you see the reports of the International Labour Organisation and the World Bank, their figures are countrary. They say that 50 to 60 per cent of the population is below the poverty line. This is possible because we have a dual system of economy in our country. Our economy runs in black and white 40 per cent to 60 per cent, 40 per cent on the one side and 60 per cent on the other side. This is the main cause why we have failed to mop up revenue in our country. We say that

India is a developing country. But if you see the statistics, our GDP is sonly 280 billion dollars. It is twice the turnover of the General Motors Corporation of USA. Our per capita income is only 300 dollars per year, i.e. Rs. 10,000 per year and minimum wages in our country come to only 1.25 dollars, i.e. Rs. 40/- per day. Madam, from 1947 to 1997 our market shar in the worold has come down from 2.7 per cent to 0.5. per cent and the population of our country of 18 per cent of the world population. We hardly figure on the world map economically. Recently even China has adopted the market economy. China's economy can be called a real developmental economy. In China the benefit of free-market economy goes to the rural peroples, poor people, unlike in our country where only about 30 million people will benefit from this budget.

I think that is a growth-oriented economy. Here we can see that they have given sops only to the corporate sector. They have given concessions only to the corporate sector. They have not mentioned it in the budget. But what will be the financial implication by way of subsidies, by way of sops they have given to the corporate sector? For our country to develop and to become a financial giant, it is important that we tap resources, especially human resources. We have about 30 to 35 million people working in the organised sector which constitutes only 10 to 12 per cent of the workforce in the country. Madam, 350 million people are in the unorganised sector. In our country only 10 to 12 per cent people are protected by a Statute. They are so much protected that there is no fear of loss of job for them unless we inculcate a discipline of work conditions and see to it that the policy of hire and fire is implemented. The South East Asian countries— I know my hon. Leftist colleague will laugh——even small countries were devastated during the Second Wrold War, viz. Malaysia, Singapore, Korea, Bangkok and for that matter Japna. These countries were totally devastated. If we don't develop a work culture in the country, I don't think we will see a bright future in the years to come.

SHRI DIPANKAR MUKHERJEE (West Bengal): We are not in a position to laugh. We cannot laugh. We can cry. (*Interruptions*).

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Mr. Mukherjee, if you want to say something, first you take permission from the Chair, otherwise, it will not go on record.

SHRI JOHN F. FERNANDES: When we talk of hire and fire, the communists who are controlling unions, get panicky.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Mr. Fernandes, you don't have to answer it. You make your own points.

SHRI JOHN F. FERNANDES: The hon. Finance Minister has also mentioned about voluntary disclsoure. Now he has to give immunity to sections which do not pay taxes, which evade taxes. At the same time, the hon. Minister also made a statement that he would come with a legislation which will prevent money laundering. We read in the Press that there is a dispute within the bureaucracy whether we should have this Bill or not. The Ministry has appointed a Committee. I do not know whether it is true or false. It is for the Finance Minister to tell us.

I am told that this legislation is not likely to see the light of the day. I would like to know whether the Government has proposed this legislation and whether these papers are being prepared and whether Parliament will be taken into confidence. I hope the hon. Minister would reply to it. Madam, the Government came forward with the Minimum Service Tax. For the first time, the Finance Minister imposed five per cent service tax. Now ours is the largest working democracy and the Finance Minister did mention that how we were going in for corporate federalism and this tax was imposed and we have seen what happened. I think the projection of the

Government, of the Finance Minister, was to collect about Rs. 900 crores by way of this five per cent service tax. We have seen ten days of truckers strike and every day we lost about Rs. 1000 crores and for ten days, the country lost about Rs. 10,000 crores. I don't think the Government had any feedback from the industry. I would like to know whether the Government had made any investigation, whether the Government had any deliberations with the organisation—the Truckers Association, I think, the steps which the Government had taken were counter productive. Madam, they did another thing to add insult to injury.

The Budget was presented by the hon. Finance Minister on the 28th February, 1997, and then it became the property of the House. When the House was not in session, during the intervening period, the Budget was referred to the Finance Standing Committee. I happen to be a Member of that Committee and Mr. Agarwal also is a Member of the Committee. Now we do not know how the Government took a decision. When the Budget is the property of the House, how could the Government go and issue a notification without taking the Standing Committee or Parliament into confidence? I will give give an example. It was rightly raised by my colleague yesterday. The Minister said that he would collect nil per cent of excise duty. Now they have introduced section 116A. A notification was passed on the very day Government lost the vote of confidence, that is, 11th of April 1997. They have inserted one more section—section 116A—by Which rupees six per kilogram was levied. I think this was not proper. It was not ethical. When the Budget is before Parliament, how could you amend it? I think Mr. Chidambaram was not the Finance Minister then. But I think the officials are responsible to Parliament and I hope the hon. Minister will reply to this query raised by me. In the morning, we raised the issue of mismanagement of funds by financial institutions in this country. We mentioned the UTI and my colleague from the left did mention about the so called fraud the UTI and Reliance got involved in. Unless we give a sense of responsibility and discipline to these institutions, we cannot go very far. There is a report in some American newspapers that Indian banks are just financial institutions which can be called fly-by-night operations because they can collapse any moment. Unless there is proper disciplinary measure by which our financial institutions can be controlled, I do not think our economy will be taken seriously by anybody abroad. We know about the fraud in the financial institutions. I will give one example. The National Housing Bank had deposited Rs. 500 crores in the name of Mr. Harshad Mehta and it was collected by the (Burkeley) Grindlays Bank and the matter was sent for arbitration. The National Housing Bank, which is a subsidiary of the Reserve Bank, had to pay Rs. 900 crores. We are allowing so much freedom, so much free license that these institutions are getting robbed and plundered in broad day light. I do not know what fiscal discipline we are going to bring in our country. How can we say that our economy is a growth oriented economy?

4.00 P.M

Madam, coming to infrastructure, the Government has said that they will invite the public sector into infrastructure, specially power. Now, we have not laid down any guidelinesss as to what fuel these people will use. Now you can have a company which will get a trubine jet from abroad and pump in naptha into it which is a very expensive component because we import naptha by paying hard currency. How licences are being issued to the power sector to use naptha as fuel. Why not sandalwood? So unless the Government has a policy to see that our foreign exchange is just not scandalised by private people to make a few bucks, I do not think it will be proper. More so, Madam, you are not bringing in any infrastructure. You are just getting turbine jets of any plane. You set it up in a

garage and you generate it and you get money. So unless you discourage in the name of privatisation, in the name of getting infrastructure for this country I don't think such fly-by-night operators are going to create any infrastructure for this country. Madam, again we talk of protection to environment and ecology and the Finance Minister and even the former Prime Minister repeatedly made statements that we will only promote value-added products. Mining industry, for example, in my State of Goa, is only exporting raw materials, destroying the environment because the only State where mining

is in private sector is my State. Here the Government, instead of discouraging them, is giving them a rebate on income tax of Rs. 150 crores. They were paying Rs. 150 crores per year. In the name of earning foreign exchange they are earning for the last 50 years. The Government has promoted and permitted them to destroy the environment and ecology of that State. Will the Government review its policy and see that value-added products are encouraged and that technology from foreign countries is brought into our country? We produce our own steel. Madam, again we have seen the Civil Aviation policy in this country. We have allowed so many private airlines. We have allowed so many airlines to fly on the same routes, in the trunk routes. In the bargain we see that the expensive fuel of this country is burnt out because there is no pooling of seats. On the same sector we have destroyed expensive fuel and I have just mentioned initially that the deficit on the oil pool is very high. So unless we have certain policies to discipline the economy, I do not think we are going to see a bright future. Madam, with these few submissions, I support the Bill. Thank you.

SHRIMATI RENUKA CHOWDHURY (Andhra Pradesh): Madam, thank you very much for giving me this opportunity. Madam, I rise to support this Bill and, as my hon. friend said, these are post-mortems. But I want to place on record that we are all together in this. Everybody has been talking about how the Finance Minister is a dream merchant and how in reality this is a nightmare. We have all got to grow up and seize the opportunity and there is only one way that this country can go and that is forward. It will, if we all apply ourselves to the specific thrust areas that we need to work together for. So I would not say that I am going to criticise the Bill. I just want to express judicious prudence in some of the areas. So, I would like to ask more questions so that I am educated about this. We passed this Bill in the Lok Sabha and we retained most of the Budget proposals of the Finance Minister and some of the changes, though not very material, will just have a hit on the revenue, that too in a year where we are placing a heavy bet on the financial growth and the economic growth and we are looking for a commensurate buoyancy in tax revenues. But will there be sufficient growth? If we think that there is going to be sufficient growth, then we have to think of falling heavily, as we did in 1996-97.

Growth in investment had visibly slackened. What happens then? Where do we stand in terms of fiscal management so that we get our act together? Even if there is going to be a lot of good luck which we hope we are going to get—happily we have a lot of political power which satisfies us a little—will we be able to achieve a happy fiscal deficit of 4.5% of GDP? These are the questions that are staring us in the face. These are the issues to which we should apply our minds. We have to discuss the growth aspect and this is the positive aspect of this Budget. The news on the growth front does not appear as optimistic as I would like to see it. If you have a look at the industrial output data that we have with us, it would be difficult for us to remain optimistic about it. Industrial growth has slackened to 1.06% while the average growth in

April—June is 7.5% as against 11.7% in the corresponding period last year. The capital goods sector simultaneously declined dramatically to minus 3.2% in January, 97 as against plus 19.5% in the corresponding period last year. Then, will we be able to achieve the required 10-12% industrial growth in the financial year 1997-98? This is an issue which we should address ourselves to so that we can have the kind of investment which will lead to that growth, which can link us to the kind of resource mobilisation. We have placed anough emphasis on resource mobilisation. But what is the state of resource mobilisation in the capital markets? My hon. colleagues, Mr. John Fernandes—he is not present here at the moment—and Shri Satish Agarwal, know that one of the main concerns of the Standing Committee on Finance was on resource mobilisation which is a key ingredient of this Budget, hence for the nation. Unfortunately, not a single manufacturing company was able to raise the required
equity capital from the market in 1996-97. Then, financial institutions and banks had a reasonably good time. They were able to enter the primary market and they were able to get themselves going. But the sanctions from them have slowed down this year compared to previous year and there is scarcity of equity capital. Without equity capital, we are walking with one hand tight behind our back. And debt is costly. It has cost us. The retail investors who burnt their hands in the stock market—that is why it is vital to revive the capital market—directed their hard-earned savings into banks in the form of deposits. Banks were flushed with liquidity even as they grow with the CRR cuts. They went in for investments in the Government's paper money which is mainly earmarked for non-productive expenditure. The mutual fund industry which was supposed to be the main vehicle for small investors also suffered a decline. We applied ourselves to this problem because we were considering as to how we could come out of these problems. In the process, we made some mistakes and we have to accept it as our collective responsibility. The funds mobilised are Rs. 2,681 crores which is marginally better than Rs. 2,263 crores in 1995-96. To cap it all, dividend tax does not apply to dividends of mutual funds. I know how hard-pressed the Finance Minister is. He comes out with a package and all of us peg at him and ask him to withdraw because all of us are looking in a sectarian manner at people who are going to vote for us, who are going to be behind us. But if you have a collective concept of what is required in the market today, we will come down to the realities that if he goes on to pander any more to us politically, all of us are going to suffer and this abolition of dividend tax which does not apply itself to dividend or the mutual fund dealings gives us a further blow. And the small investor is disenchanted with the market. The markets have been on a tight squeeze. There has been an erratic up-and-down and just a Budget proposal is not going to bring back the small investor into the market. He is running scared. They are looking for stricter and more prominent regulatory measures because they are looking for a security before they come back to invest again. And even better, the small investor will come forward only if there is a stable political climate. So, we cannot abdicate our responsibility by standing here in Parliament and criticising this Budget without taking accountibility on our own shoulders. There have been stories about the bottlenecks that we have been suffering from. All major infrastructural projects need a gestation period. They need a time-span of waiting when money will go into them and growth in basic industries is mainly supply-driven and this will continue to be at a low level till actual money goes in and these projects take off. So, you have got to calculate that time as to when they are going to be in hybernation, when we are developing internally, so that we can propell ourselves forward. And that is the

gestation period and you have to take that into consideration. And it is not just the capital markets that are blocking key investments. Power sector investments, one of the major thrust areas which is staring at us in the face, are linked to the health of the State Electricity Boards. And adequate risk-management avenues for enterpreneurs are not yet a smooth sailing. We have to try to find a *via-media* where this kind of interaction of the State Electricity Boards and the power sector allocations will work so that they become viable. Then we have proposed joint venture oil refineries. This has been happening and it has been happening for the past three years. So, it is not really his baby. We have been waiting for this to take off. And these will continue to get postponed till we have a clarity of policy direction so that we apply ourselves to this policy direction and then we spell out the administered pricing, that is, a mechanism that will help us evolve so that that sector also can take off.

Now, we have to try to get ourselves not so much a fiscal bowl as a calculator to see how prices are going to behave in 1997-98. The manufactured goods showed an abnormally low rise in 1996-97. They should hopefully increase by 1997-98. We should expect another round of petroleum hike, but crucially it is not the petroleum hike that is going to affect us but the food economy that will have an impact on our inflation, as far as I know. The wheat stocks of FCI are low at 5 million tonnes in February as against 11.5 million tonnes in the corresponding period in February, 1996. The procurement activity has been below normal, which is also due to political climate. Only 3.8 metric tonnes have been taken in May 1997. And even with the slightest mismanagement of wheat imports, this can unleash a price hike that will come about and will affect all of us, that is, the common man. If the Government is faced with an actual revenue loss which will be less than the budgeted one, a possible situation given the course of industrial growth, the Government will have to go to the market for borrowings.

This is not something new. I had reiterated it earlier when I spoke on the Budget, when I addressed myself to the Oil Pool Deficit. Specifically, I had come to this point as to how we are going to control inflation, if we don't address ourselves to the Oil Pool Deficit. Anyway, you will have to come to the market to borrow which will give you spiralling interest rates. Hence, that will be equal to inflation. As you expect, it will have an adverse effect on the interest rates. But, significantly, these have started to firm up. Interest rates have started stabilising and firming up after the initial buoyancy and the euphoria that was shown with the new exit Policy which was introduced. But, this also gave inflation a little boost in the arm. This is what we have to watch out when there is trust reposed on the buoyancy of tax revenues.

Finally, I would like to take up fiscal deficit. Luckily for us, the State fiscal deficit and the PSU borrowings stand outside the calculations; otherwise, we would have been affected by the overall fiscal deficit not of the Centre alone. Therefore, the 4.5 per cent target, if we should achieve, should not be given really undue sanctity. But, we are working towards that. We are striving towards that. These are some of the realities. Let us also remember that we might stand to lose Rs. 900 crores by not levying service charges on transport. We all made a noise about it. Several sectors of our society stood up and fought us, what we thought was unreasonable. It is only good saying it in Parliament. But, when you go to borrow in the market, don't come back to this House and raise fingers of accusations. All of us stand guilty of pandering.

THE VICE CHAIRMAN (SHRIMATI KAMLA SINHA): Your time is over.

SHRIMATI RENUKA CHOWDHURY: Yes, Madam. I am concluding

now. Madam, through you, I wish to inform the House that we could well stand to lose Rs. 111 crores in the exemptions that we have already given. So, the combined effect will put further strain on the Government. Who do we have to blame? You cannot hold the Finance Minister to ransom and you cannot accuse him because if he comes out with the Budget Papers and lays them on the Table of the House, all of us stand up and make noise, all of us are willing to criticise while we put him under duress. I am not defending him. I am just stating facts, reality bites and we have got to wake up that we cannot do electioneering in Parliament and carry this country forward to. Anyway, at the tag end, Madam, as I have been asked to conclude, I think we should all remain optimistic. Let us remain optimistic because, God forbid, India is over going to see the dark days of 71-72, 72-73, when we had the worst economic performance, where we had one per cent and minus 0.3. So, I would likle to remain optimistic. I think, we have got to give to the Finance Minister a helping hand; we have got to be realistic in our demand. Somebody wants *bidis* off, somebody wants umbrells off and somebody wants *tamboos* off. You want to widen your tax net, you don't want to bring in people who are making money. We are not talking about bringing poor people into it. We don't want to face the reality, but we want him to deliver dreams. It is not going to happen if all of us don't get together. Thank you, Madam.

THE VICE CHAIRMAN: (SHRIMATI KAMLA SINHA): Shri Ramdas Agarwal—not here. Shri Raghavji. Your party has got 12 minutes. You finish within your time.

श्री राघवजी (मध्य प्रदेश): उपसभाअध्यक्ष महोदया, आज यहां वित्त विधेयक और विनियोग विधेयक पर साथ-साथ चर्चा हो रही है। वित्त विधेयक का अध्ययन करने से ऐसा लगता है कि माननीय वित्त मंत्री जी द्वारा इस विधेयक तैयार करते समय इस बात की चिंता ज्यादा रही है कि डब्लू०टी०ओ० की प्रतिक्रिया क्या होगी, स्टॉक एक्सचेंज की प्रतिक्रिया क्या होगी, सेंसेक्स कितना बढ़ेगा कारपोरेट सैक्टर क्या सोचेगा। इन सबकी चिंता तो मंत्री जी को रही है लेकिन देश के आम आदमी का क्या होगा, मुझे लगता है कि इसकी यादा चिंता नहीं की गई है।

महोदया, वास्तव में बजट एक महत्वपूर्ण डॉक्यूमेंट होता है और देश की जो ज्वलंत समस्याएं हैं, उनका समाधान बजट से निकलना चाहिए। इसी को सही दिशा कहा जा सकता है। इस बजट की दिशा थोड़े अंशों में सही है और अधिकांश अंशों में उलटी है। देश की जो ज्वलंत समस्याएं है, माननीय वित्त मंत्री जी उनसे पूरी तरह से अवगत हैं। उड़ीसा में लोग भूख से मर रहे हैं, मध्य प्रदेश में भूखे लोग अनाज की दुकानें लूट रहे हैं, ऐसी 3 घटनाएं वहां हो चुकी हैं। इस देश में 8 करोड़ शिक्षित बेरोजगार हैं। गरीबी की क्या हालत है? इंडियन काउंसिल ऑफ ऐप्लाईड इकानॉमिक रिसर्च ने 16 राज्यों के 33 हजार गांवों का 4 साल तक गरीबी की स्थिति के बारे में सर्वेक्षण किया है और उन्होंने अपनी रिपोर्ट में कहा है कि—"Staggering 16 per cent of rural population of India has an access to less than Rs. 3/- a day. Another 18.7 per cent is slightly better off — they scrap together Rs. 5/-a day."

महोदया, 3 रुपए से लेकर 5 रुपए की प्रतिदिन की आमदनी है। इस आमदनी से वह आधा किलो गेहूं नहीं खरीद सकता, चावल नहीं खरीद सकता, आलू नहीं खरीद सकता। ऐसी स्थिति इस देश की 34 प्रतिशत जनसंख्या की है। आगे उसी रिपोर्ट में कहा गया है कि पश्चिम बंगाल में केवल 16 प्रतिशत घरों में बिजली है और उड़ीसा में 19 प्रतिशत घरों में बिजली है। इस तरह बिजली की समस्या भी देश की ज्वलंत समस्या है।

महोदया, हमारी जो आर्थिक स्थिति है, वह भी बहुत अच्छी नहीं है। हमारे औद्योगिक उत्पादन की वृद्धि दर 12 प्रतिशत से घटकर 4.8 प्रतिशत रह गई है। हमारा बैलेंस ऑफ पेमेंट विपरीत दिशा में जा रहा है। रक्षा पर हमारा खर्च 42.765 करोड़ रुपए हो गया है। हमारा कर्ज बढ़ रहा है। हम 68,000 करोड़ का ब्याज भुगतान कर रहे हैं। इसके लिए मैं वर्तमान सरकार को दोष नहीं देता हूं लेकिन पिछली सरकार की गलतियों का खामियाजा इस सरकार को भुगतना पड़ रहा है। अब तो ऐसी स्थिति आ गई है कि बजट जिस प्रकार बनाया गया है उसे देखकर कोई वित्त मंत्री जी से पूछेगा कि आपने शाक दरें बढ़ा दी, लिफाफा महंगा कर दिया तो वित्त मंत्री जी

कहेंगे कि कोई बात नहीं सेलुलर फोन सस्ता कर दिया है, काम चलाओं। कोई कहेगा कि बसों का और रेल, का किराया बढ़ रहा है तो उनका जवाब होगा कि विदेशी कारें इस देश में आ रही हैं, चिंता करने की कोई आवश्यकता नहीं है। कोई कहेगा कि गेहूं और आटा महंगा हो रहा है तो उनका जवाब होगा कि मल्टी नेशनल्स का कॉर्नफ्लेक्स खूब मिलेगा, उसे खाकर अपना काम चलाओं। कोई कहेगा कि पीने का पानी नहीं मिल रहा है तो वित्त मंत्री जी का जवाब होगा कि बिसलेरी पीओ, पानी की जरूरत नहीं है। कोई कहेगा कि बिजली महंगी हो रही है तो हमार वित्त मंत्री जी कहेंगे कि हमने एयर-कंडीशनर सस्ते कर दिए हैं, इसलिए चिंता करने की आवश्यता नहीं है।

महोदया, बजट के बारे में श्री सुमेर कौल ने हिंदुस्तान टाईम्स में जो लिखा है, मैं उसको क्वोट करना चाहता हूं। उन्होंने लिखा है कि— "I am afraid I cannot see the Budget as anything other than dangerously disappointing for an overwhelming majority of the people. Mr. Chaidambaram's recipe further fossilises India into the ever rich and ever poor, with former being pampered and the latter virtually written off and middle classes assiduosly seduced with unnecessary goodies of western kind, all in the cause of unfolding brave and new world of liberalisation and globalisation."

कस्टम ड्यूटी के बारे में माननीय वित्त मंत्री जी ने 55 परसेंट से लेकर 44 परसेंट किया है, कहीं 40 से 30 परसेंट किया है। लेकिन एक ही कंसीडेशन ब्रात्सव में होना चाहिए था कि जो माल हम मंगा रहे हैं। उन मालों में कम से कम कस्टम ड्यूटी कम न करिए, जिन उद्योग धंधे हमारे देश के प्रभावित होते हैं और अभी हमारे देश के बहुत उद्योग धंधे उससे प्रभावित हो रहे हैं, जैसे स्टील के कारखाने है, कागज के कारखाने, दवाई उद्योग, सोफ्ट ड्रिंक, मोटर पार्ट्स यहां तक कि बहुत से स्टील के कारखाने बंद हुए हैं, कागज के कारखानों को मुश्किल पड़ रही है और मोटर पार्ट्स वालो को भी बड़ी परेशानी का सामना करना पड़ रहा है। आवश्यकता इस बात की थी कि देश के जो लघु उद्योग हैं उनको आप इसदमें प्रोत्साहन देते लेकिन प्रोत्साहन की कोई बात इस बजट में नहीं है। आपने 14 लघु उद्योगों को एक कमेटी की रिपोर्ट के आधार डि-रिजर्व कर दिया है। वह कौन-कौन से है— आईसक्रीम बनाने वाले, बिस्कुट वाले, आटा मिल, चावल मिल, ऐसे लघु उद्योगों को आपने डि-रिजर्व कर दिया है। लेकिन आपने कमेटी की जो अन्य सिफारिशें थी वह नहीं मानी। कमेटी की रिपोर्ट में यह भी कहा गया था कि 500 करोड़ की ब्याज की छूट लघु उद्योगों को मिलनी चाहिए जो आपने नहीं मानी। कमेटी ने यह भी कहा था कि जो लघु उद्योग निर्यातक है उनके लिए कोष तैयार किया जाए ताकि उनको उससे समय-समय पर मदद मिलती रहे। 30 लाख की जो सीमा है वह सन् 1986 में तय की गई थी और वह सीमा आज भी बनी हुई है। कीमतें कहां जा रही है और रुपए की कीमत आज क्या रह गई है लेकिन 30 लाख की सीमा बढ़ाने की आपने कोई कोशिश नहीं की, वहीं की वही सीमा आज भी कायम है। उसकी तकनीकी में सुधार करने के लिए कमेटी ने जो कहा था कि उनको सस्ते दरों पर ऋण मिलना चाहिए इस ओर भी कोई कोशिश नहीं हुई। यह भी मांग की गई थी कि जो 20 श्रमिकों की सीमा है उसको बढ़ाकर 50 श्रमिकों की सीमा कर दीजिए लघु उद्योगों के लिए, उस दिशा में भी आपने कोई प्रयास नहीं किया है। जबकि आपको इस बात को नहीं भूलना चाहिए कि विदेश में जो निर्यात होता है उसका 30 प्रतिशत अंश लघु उद्योगों के माध्यम से होता है। दूसरी बात यह है कि जो लघु उद्योग है देश में ज्यादा रोजगार देते हैं बजाय कि सी बड़े उद्योग के। इन बातों को नजरअंदाज करने की आपने कोशिश की है। हैण्डीक्राफ्ट्स के प्रोत्साहन के लिए इस बजट में कोई व्यवस्था नहीं है। फूड प्रोसेसिंग यूनिट पर एक्साइज ड्यूटी हटा देनी चाहिए क्योंकि हिन्दुस्तान में यह नया-नया व्यवसाय आगे बढ़ रहा है। फूड प्रोसेसिंग से उद्योग अपने आप प्रभावित होगा तो होगा ही लेकिन अगर यह उद्योग इस देश में बढ़ेगा तो इस देश में फल ज्यादा पैदा होंगे, इस देश में फलों का प्रोसेसिंग करने की व्यवस्था होगी। तो फिर उनको दाम भी ज्यादा मिलेंगे और फिर हॉर्टिकल्चर क्षेत्र में भी एक क्रांति आ सकती है।

इसीलिए इस पर जो भी आपने एक्साइज ड्यूटी लगाई है वह हटा दी जानी चाहिए। ट्रेक्टर पर एक्साइज ड्यूटी बढ़ाकर 13 परसेंट कर दी है। अब एक तरफ आप फर्टिलाइजर को सब्सटडाइज्ड कर रहे हैं, किसानों को सुविधा देने की बात करते हैं लेकिन ट्रेक्टर तो सिर्फ किसानों के उपयोग में ही आता है और किसी के उपयोग में तो आता नहीं है फिर 13 परसेंट की वृद्धि करने की क्या जरुरत थी। इस वृद्धि से ट्रेक्टर के दामों में दस-दस हजार रुपए प्रति ट्रेक्टर की वृद्धि हुई है। डायरेक्ट टेक्सेज के मामले में माननीय वित्त मंत्री जी से कहना चाहता हूं कि पता नहीं आपकी नाराजगी फर्म से क्यों है। फर्म को

आप इस तरह से जकड़ने की कोशिश कर रहे हैं जैसे इनको आपने कोई विशेष सुविधा दे रखी है इसलिए उनको सरकारी शिकंजे में कसो। फर्म इस देश की अर्थव्यवस्था की रीढ़ है, छोटी-छोटी फर्में इस देश में लाखों की संख्या में है। भाई-भाई की फर्म है, बाप बेटे की फर्म है और ऐसी छोटी-छोटी फर्में बनाकर लोग व्यापार करते हैं। पिछली बार जब व्यक्ति पर आयकर की अधिकतम दरें 40 परसेंट हुआ करती थी तब फर्म की भी आयकर दर 40 परसेंट थी। अब व्यक्ति की अधिकतम आयकर की दर 30 परसेंट कर दी लेकिन फर्म की आयकर की अधिकतम दर 35 परसेंट रखी है। इसका कोई औचित्य नहीं है। इसकी तुलना आप कम्पनी के साथ मत कीजिए, क्योंकि कम्पनी को एक विशेष सुविधा प्राप्त होती है, कम्पनी लिमिटेड लाइबिलिटी की हुआ करती हैं। फर्म्स अनलिमिटेड लाएबिलिटीज़ है। Every partner is individually and severally liable. The liability if full.

इसलिए फर्म्स के साथ जो आपने 35 परसेंट रखा है, शायद भूल से हो गया हो, उसमें सुधार करने की कोशिश करिए और उसको 30 परसेंट करना ज्यादा उचित होगा। क्लॉज 12 जो फाइनेंस बिल की है, उसको 1.4.94 से लागू करने की व्यवस्था की है।

उपसभा अध्यक्ष (श्रीमती कमला सिन्हा): आपका दो मिनट का समय बचा है।

श्री राघवजी: मैं दो मिनट ही लूंगा।

प्रो॰ विजय कुमार मल्होत्रा (दिल्ली): महोदया, आज के मुताबिक अधिक समय है। आज के मुताबिक हमारी पार्टी के...

उपसभा अध्यक्ष (श्रीमती कमला सिन्हा): आज के मुताबिक आपकी पार्टी के 12 मिनट है।

श्री राघवजी: 12 मिनट का हिसाब गलत लगाया गया है, मैंने पहले भी कहा था।

प्रो॰ विजय कुमार मल्होत्रा: 12 मिनट कल के हिसाब से थे, आज के हिसाब से 45 मिनट हैं।

उपसभा अध्यक्ष (श्रीमती कमला सिन्हा): मेरे पास जो कागज है उसमें 12 मिनट का समय लिखा है।

श्री राघवजी: वह गलत लिखा है। महोदया, क्लॉज 12 को 1.4.94 से लागू करने की जो व्यवस्था है, वह बिल्कुल गलत है क्योंकि जो पहले से व्यवस्था थी, उसी के हिसाब से लोगों ने अपनी फर्म्स बनाकर रखी हुई होंगी और उसी हिसाब से उनको ब्याज की और तनख्वाह की छूट मिली होगी। अब अगर उसको आप 1.4.94 से लागू करेंगे तो उनके साथ बड़ा अन्याय होगा। इसलिए यह उचित नहीं है। क्लॉज 14 में पांच परसेंट शुद्ध आय आपने टर्न ओवर की मानी है। जिनकी टर्न ओवर 8 लाख से 40 लाख तक है, पांच परसेंट तक भले ही आप मान लिजिए, उसमें मुझे कोई आपत्ति नहीं हो सकती है लेकिन इसमें वहां आपत्ति है जहां पर उसकी फर्म है क्योंकि फर्म के रेट अलग हैं और इनडिविज्यूअल के रेट अलग है। इनडिविज्यूअल की अगर आठ लाख की टर्न ओवर होगी तो 40 हजार मानेंगे और उसको कोई टैक्स नहीं लगेगा लेकिन जब फर्म की आठ लाख की टर्न ओवर है और 40 हजार की इनकम है तो उसके ऊपर 12 हजार का टैक्स लगेगा, यह फिजूल में लग रहा है। वही टर्न ओवर, वही धन्धा, वही इनकम और उसके बाद उनके ऊपर 12 हजार रुपये टैक्स लग रहा है। इसलिए आप इसमें कम से कम यह प्रावधान करिए कि यह क्लॉज फर्म के ऊपर लागू नहीं होगी। दूसरा इसमें यह भी प्रावधान करिए कि थोक व्यापारी उनको मान लिया जाएगा तो अपना हिसाब-किताब, क्वांटिटिव ट्रेड अकाउंट रखते है, उनके ऊपर भी यह लागू नहीं होगा। अगर यह आप करेंगे तो ज्यादा ठीक होगा। महोदया, सर्विस टैक्स के बारे में मेरा भरपूर विरोध है क्योंकि सर्विस टैक्स आपने जो लगाया है, वह विदेशों की नकल है। सर्विस टैक्स आपने किन चीज़ों पर लगाया है? ट्रांसपोर्ट पर आप देख रहे हैं कि ट्रांसपोर्ट के लोग कितने परेशान हैं। सर्विस टैक्स लगा हुआ है शामियाने के ऊपर, केटरिंग के ऊपर, डैकोरेटर्स के ऊपर, कोरियर के ऊपर। अब शामियाना है, डैकोरेटर्स हैं, केटरिंग हैं, इनके ऊपर लगाए गये सर्विस टैक्स का बोझ किनके ऊपर पड़ेगा? हम दहेज का विरोध करते हैं कि दहेज नहीं लेना चाहिए। लेकिन महोदया, शादी के समय इन सब चीज़ों पर होने वाले खर्च का भुगतान तो लड़की वालों को ही करना पड़ता है। तो इस तरह से सर्विस टैक्स तो पूरे का पूरा उनके ऊपर लगेगा। आप सर्विस टैक्स ट्रांसपोर्ट के ऊपर लगा रहे हैं। इससे कीमतें बढ़ेगी और आपको पता नहीं है कि राज्यों ट्रांसपोर्टर्स के ऊपर कितने-कितने गुड्स टैक्स और बाकी के टैक्स लगे हुए है जिनको देखने की और व्यवस्था करने की शायद आपने कोशिश नहीं की है इसलिए आपने यह किया है। क्लॉज 55 में आपने जो प्रावधान रखा है, वह गलत है। आपका अपना ही सर्विस करने वाला व्यक्ति कई कारण हो सकते हैं जिसकी वजह वह टैक्स समय पर जमा नहीं

कर पाएगा। उसके लिए तीन महीने कम से कम कारावास है। तीन महीने से सात वर्ष तक कारावास की व्यवस्था है जैसे उसने रेप कर दिया हो, मर्डर कर दिया हो, इस तरह का प्रावधान आपने किया है। महोदया। वित्त मंत्री जी को मैं इस बात का धन्यवाद जरूर देना चाहता हूं कि आपने आयकर की दरें ठीक कर दी है जो होनी चाहिए, रैशनल हैं। 10 परसेंट से लेकर 30 परसेंट तक आपने यह रखी है, उसके लिए मैं आपको धन्यवाद देता है। इसके साथ ही मैं अपनी बात समाप्त करता हूं। धन्यवाद।

श्री नगेन्द्र नाथ ओझा (बिहार): उपसभाध्यक्ष महोदया, फाइनेंस बिल और.....

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): आपके पास नौ मिनट का समय है। समय के अंदर बोलिए।

श्री नगेन्द्र नाथ ओझा: इस चर्चा में भाग लेते हुए जब कि दो मिनट में ही मुझे अपनी बात समाप्त करनी है, तो सिर्फ एक बात की तरफ मैं ध्यान दिलाना चाहूंगा।

उपसभाअध्यक्ष (श्रीमती कमला सिन्हा): नौ मिनट हैं, दो मिनट नहीं।

श्री नगेन्द्र नाथ ओझा: तब एक-दो मुद्दे और इसमें जोड़ दूंगा। सर्वप्रथम जिसे मैं सबसे महत्वपूर्ण समझता हूं वह यह है कि जिन-जिन क्षेत्रों में जिन-जिन योजनाओं के लिए आपका बजट ऐलोकेशन है.... उसके अनुरूप ही योजनाएं क्रार्यान्वित होती हैं या नहीं मैं इंप्लिमेंटेशन के सवाल को कार्यान्वयन के सवाल को सबसे प्रमुख मानता हूं। आज कामन मिनिमम प्रोग्राम के अन्तर्गत सामाजिक न्याय के नाम पर इस बजट को प्रस्तुत किया गया है। लेकिन इससे पहले भी बीस सूत्रीय प्रोग्राम के नाम पर हमारे सामने योजनाएं आती रही हैं और कई प्लानों के अन्तर्गत हमारे देश में बड़े-बड़े सुन्दर नाम योजनाओं के दिए गए उनसे आशा जगी थी कि गांवों में रहने वाले लोगों की गरीबी दूर होगी और शहरों में रहने वाले गरीबों की दशा में सुधार होगा। परन्तु उनकी दशा में सुधार नहीं हुआ है। हमारे देश के अन्दर जो इकनोमिस्ट हैं, आर्थिक विशेषज्ञ हैं, इन विशेषज्ञों की कई कमेटियां बनीं और उन्होंने जो जांच की उन सबके आधार पर यह कहा जा सकता है कि हमारा सबसे विफल क्षेत्र प्लानिंग कार्यान्वयन का रहा है। जैसे एक उदाहरण हम भूमि सुधार का ले लेते हैं। हम कोई आज से भूमि सुधार का नाम नहीं ले रहे हैं, हम कोई आज से वेस्ट लैंड डेवलपमेंट का नाम नहीं ले रहे हैं। हम इनका नाम प्रथम पंचवर्षीय योजना से ले रहे हैं, लेकिन इस क्षेत्र में कार्यान्वयन की क्या स्थिति है? जिस भूमि सुधार की बदौलत गांवों में गरीबों की दशा में हम सुधार ला सकते थे, उस भूमि सुधार की अभी हालत क्या है, राज्य सभा में एक प्रश्न के उत्तर में कार्यान्वयन विभाग की ओर से मंत्री जी ने जो उत्तर दिया, दिसम्बर, 95 के महीने में बताया गया था कि 73,95,153 एकड़ जमीन हदबन्दी कानून के अन्तर्गत बांटने के लिए उपलब्ध है लेकिन वर्ष 1996-97 में इसी राज्य सभा के अन्दर एक प्रश्न के उत्तर में मंत्री जी ने बताया है कि 16,345 एकड़ जमीन ही बांटी गई है। जहां देश के अन्दर 73 लाख एकड़ जमीन बांटने के लिए उपलब्ध हो और 1996-97 वर्ष के अन्दर सिर्फ 16,000 एकड़ जमीन का बंटवारा हुआ हो तो हम भूमि सुधार के मामले में कार्यान्वयन की स्थिति को क्या मान सकते हैं। उसी तरह से वेस्ट लैंड डेवलपमेंट की बात है। इस विभाग के लिए जो अलोकेशन है उसको देखते हुए हम यह कह सकते है कि यह एक नाम मात्र की योजना है और हमारे देश के अन्दर जो वेस्ट लैंड है उसके डेवलमपेंट के बारे में आपको कोई चिन्ता नहीं है। एक्सपर्ट्स की यह मान्यता है कि हमारे देश के अन्दर जो वेस्ट लैंड है उस पर प्रति एकड़ पांच हजार रूपये के हिसाब से अगर खर्च किए जाये तो 45,000 करोड़ रुपये का खर्चा होगा। आप इसको देख लीजिए कि प्रति वर्ष इस क्षेत्र के लिए आपका अलोकेशन क्या है।

मैंने भूमि सुधार के मामले से बात इसलिए शुरु की क्योंकि आप ने इस बजट में सामाजिक न्याय का नाम बहुत लिया है। और उस दिशा में बजट को बताते है आप कई तरह की योजनाओं का नाम लेते हैं। लेकिन हमारी पार्टी की यह मान्यता है कि जब तक ग्रामीण क्षेत्रों में ग्रामीण गरीबों को जमीन नहीं दी जायेगी, उनके परिवारों के पास जमीन नहीं होगी, उनके लिए लैंड बेस तैयार नहीं किया जायेगा तब तक आप चाहे कितनी भी योजनाओं को आर्थिक योजनाओं को लागू कीजिए उनका कोई लाभ ग्रामीण गरीबों तक पहुंचने वाला नहीं है इसका यह एक पहलू है।

कार्यान्वयन के मामले में जो दूसरा पहलू है वह यह है कि जो भी आप उस क्षेत्र के लिए अलोकेशन करते हैं, जो भी पैसा आप उस क्षेत्र में खर्च करते है तो इसमें इतना भ्रष्टाचार व्याप्त है कि आज भी—जैसा कि राजीव गांधी के जमाने में उन्हीं के द्वारा यह बात कही गई थी कि एक रुपये में से सिर्फ 15 पैसे ही नीचे तक जा पाते हैं, तो आज भी इससे भिन्न कोई स्थिति नहीं है।....

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): अब आपको समाप्त करना होगा।

श्री नगेन्द्र नाथ ओझा: इसीलिए मैं जोर देकर कहता हूं कि कार्यान्वयन के मामले की ओर ध्यान दीजिए और कार्यान्वयन के मामले में सुधार कीजिए। यह जो आपका बजट है, इसमें कोई सन्देह नहीं है कि इससे कुछ लोग खुश हैं और कुछ लोगों को आशा दिलाई गई है। लेकिन जो छूट मिली है वह कारपोरेट सैक्टर को मिली है, उनके करों में कमी की गई है, टैक्स के मामले में उन्हें छूट दी गई है। गरीबों के मामले में यहां तक कहा जा सकता है कि उनकी बीड़ी और छाते पर भी टैक्स है उनपर कोई छूट नहीं दी गई है। छाता लेकर गांव के गरीब किसान चलते हैं। जिनकी एयर कण्डिशन्ड कारें हैं, गर्मी के दिनों में उनको छाते की जरूरत नहीं होती और न ही बरसात के दिनों में उनको छाते की जरूरत होती है। गांव के गरीबों के छाते पर भी टैक्स बढ़ा दिया। लिफाफे पर टैक्स बढ़ा दिया और पोस्ट कार्ड भी टैक्स बढ़ा दिया है। इस तरह से बजट से धनाढ्य लोग जरूरत खुश हैं। गरीबों में भी आपने आशा जगाई है लेकिन कार्यान्वयन का जो मामला है उसमें हम कह सकते हैं कि उस स्थिति में सुधार नहीं किया गया तो रंचमात्र भी लाभ ग्रामीण गरीबों को मिलने वाला नहीं है और सामाजिक न्याय का नारा खोखला साबित होगा।

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): श्री ईश दत्त यादव। आपके पास केवल 5 मिनट का समय है।

श्री ईश दत्त यादव (उत्तर प्रदेश): धन्यवाद मैडम। मैडम, मैं विनियोग विधेयक और वित्त विधेयक का समर्थन करने के लिए खड़ा हुआ हूं। माननीय वित्त मंत्री पी० चिदम्बरम जी ने जो वर्ष 97-98 का बजट प्रस्तुत किया है इसकी देश के अधिकांश लोगों ने सराहना की है और जो वित्तीय संस्थाएं हैं, इन संस्थाओं द्वारा भी इस बजट की प्रशंसा की गई है। मैडम, मैं भी यह मानता हूं कि यह बजट मध्यम वर्ग के लिए, किसानों के लिए, गरीबों के लिए अच्छा बजट है और इससे लोगों को काफी राहत मिलेगी। लेकिन आजादी के 50 वर्ष हो गये हैं लेकिन इस देश की समस्याएं हल नहीं हुई है। खासकर दो-तीन समस्याएं हैं रोटी, कपड़ा और मकान जो कि आज तक हल नहीं हुई हैं। इसके लिए हम वित्त मंत्री और इस सरकार को कोई दोष नहीं दे रहे हैं क्योंकि इन्होंने पहली बार इस तरह का बजट प्रस्तुत किया है और प्रयास किया है कि रोटी, कपड़ा और मकान की समस्या हल हो जाये। आज भी 30-35 प्रतिशत लोग गरीबी की रेखा के नीचे हैं। मैं आपको माध्यम से वित्त मंत्री जी से कहना चाहूंगा कि उनको इस पर गम्भीरता से विचार करना होगा और उचित व्यवस्था करनी पड़ेगी क्योंकि आज गांवों में जो लोग रह रहे हैं उनकी हालत अत्यन्त दयनीय है। गावों में रहने वाले लोगों को और शहरों में रह रहे लोगों के जो जीवन के लिए सबसे आवश्यक चीज पानी है, लेकिन उनको शुद्ध पेय जल नहीं मिल पा रहा है। मैं नहीं जानता कि वित्त मंत्री जी इस संबंध में क्या प्रयास कर रहे हैं। महोदया, पानी को जीवन भी कहा जाता है। पानी का दूसरा नाम जीवन है। मैं मंत्री जी से जानना चाहता हूं कि इस देश के 95 करोड़ लोगों को शुद्ध जल मिल सके इसके लिए वे क्या व्यवस्था करने जा रहे हैं?

गांवों में जो लोग रहते हैं आज उनमें से लगभग 50 प्रतिशत लोगों के पैरों में जूते नहीं है, चप्पल नहीं है और उनके कपड़े फटे हुए हैं। जाड़े की रात में जागकर, फुआल के नीचे या फटे कपड़ों में लिपटकर उन्हें सोना पड़ता है। मैं वित्त मंत्री जी के प्रयासों की सराहना करता हूं कि इनका कदम इस ओर बढ़ा है। लेकिन मैं समझता हूं कि ये समस्याएं अभी हल होने वाली नहीं हैं। इसके लिए इनको प्रयास करना पड़ेगा। जो सबसे बड़ा महत्वपूर्ण काम है और जिसके बारे में हमारे सी०पी०आई के साथी अभी बोल रहे थे, इस देश के अंदर भूमि सुधार लागू करना बहुत जरूरी है। जब तक इस देश में भूमि सुधार कानून लागू नहीं किया जायेगा, जमीन का सही मायने में वितरण नहीं किया जायेगा, जो लैण्ड लॉर्ड लोग हैं, इनको खत्म नहीं किया जायेगा, इनको समाप्त नहीं किया जायेगा तब तक इस देश का उत्पादन बढ़ने वाला नहीं है। पूरे देश के अंदर आज जमींदारी प्रथा कायम है। केवल उत्तर प्रदेश को छोड़कर और इसका श्रेय जाता है इस देश के पूर्व प्रधान मंत्री स्वर्गीय चौधरी चरण सिंह को। जब वे उत्तर प्रदेश के रेवेन्यू मिनिस्टर थे तो उन्होंने जमींदारी एबालिशन एक्ट बनाया था, कंसालीडेशन एक्ट बनाया था, चकबंदी का कानून बनाया था। भूमि सुधार के लिए उन्होंने जमींदारी एबालिशन एक्ट पास किया और जमीन के जो स्वामी थे, लैंडलार्ड थे जो बंजर और परती जमीन के रूप में अपने पास जमीन रखते थे, उससे देश का उत्पादन नहीं बढ़ रहा था, उसका वितरण हुआ। उन्होंने कहा था कि टिलर आफ द सायल शिल बी ओनर फ्राम फर्स्ट जुलाई, 1952?। कह दिया कि पहली जुलाई, 1952 को जिसकी जोत में जो जमीन है उसका वह स्वामी हो जाएगा। मैं आपके माध्यम से वित्त मंत्री

महोदय और भारत सरकार से कहना चाहता हूं कि आज इस देश में जमीन का सही बंटवारा नहीं है। आज छोटी जोत वाले अनेकों लोग हैं, असंख्य हैं, करोड़ों लोग हैं और बड़ी जोत वाले भी असंख्य हैं, करोड़ों लोग हैं। हजार-हजार एकड़ जमीन के मालिक, स्वामी पड़े हैं। उससे देश का उत्पादन नहीं बढ़ रहा है और जब तक जमीन का उत्पादन नहीं बढ़ेगा तब तक इस देश की अर्थव्यवस्था नहीं सुधर सकती है क्योंकि किसी भी देश की अर्थव्यवस्था तभी सुधरती है जब उस देश की जमीन का उत्पादन बढ़ता है। कारखाने में कोई उत्पादन नहीं होता। हमारे कम्युनिस्ट भाई लोग नाराज नहीं होंगे। हमारी चन्द्रकला पांडेय जी बैठी हैं, नाराज हो जाएंगी। लेकिन कारखाने में उत्पादन नहीं होता। कारखाना शक्ल बदलता है। कपास जमीन से निकलती है और जब यह कपास कारखाने में गयी तो इसका कपड़ा बन गया। शक्ल बदल गयी। लोहा जमीन से निकला। लोहा कारखाने से नहीं निकलता है। यह माइक जिससे मैं बोल रहा हूं वह कारखाने से नहीं निकलता। लोहा तो जमीन से निकलता है और जब कारखाने में जाता है तब शक्ल बदल दी जाती है। घड़ी है मैडम...

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): आपका समय पूरा हो रहा है।

श्री ईश दत्त यादव: हमारा समय नहीं हमारे बोलने का समय मैडम

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): आपका, मतलब आपके बोलने का। आपका समय तो अभी बहुत लम्बा है। सदन में अभी आपका समय समाप्त हो रहा है।

श्री ईश दत्त यादव: जी। मैं आपके माध्यम से वित्त मंत्री जी से निवेदन कर रहा था कि ठीक है देश में कारखानों को बढ़ावा दिया जाए, उद्योग धंधों को बढ़ावा दिया जाए लेकिन दो चीजों को आपको प्राथमिकता देनी पड़ेगी—एक तो देनी पड़ेगी कृषि को और दूसरी लघु उद्योग को। ये दो जब विकसित हो जाएंगे तो कारखाने और हैवी इंडस्ट्री अपने आप विकसित हो जाएगी।

मैंने एक अखबार में पढ़ा—वित्त मंत्री जी बताएंगे, जब जवाब देंगे। हो सकता है कि मेरी यह सूचना गलत हो। इन्होंने कहा था कि अब सब्सिडी एग्रीकल्चर पर से खत्म की जाएगी। हो सकता है अखबार की न्यूज गलत रही हो। वित्त मंत्री उससे इन्कार कर रहे हैं कि मैंने इस तरह कहा...**(व्यवधान)**

SHRI P. CHIDAMBARAM: Madam, let me make it clear. All I did was I circulated a White Paper on subsidies. I told Parliament that I would prepare a White Paper on subsidies and circulate the same among Members of parliament. That is all what I have done. The White Paper is a product of a research institute. We have gathered the data and we have presented the White Paper. The debate is starting. Where is the question of saying that I have already taken a view? You give your views on the White paper. Everybody will give his views on the White Paper and then the Cabinet would consider and decide what should be done. Everything in the White Paper is not my view. The White Paper is the starting point of a debate in this country. We have not reached any conclusions.

श्री ईश दत्त यादव: ठीक है मैडम, मुझे बहुत प्रसन्नता है कि वित्त मंत्री जी ने स्पष्टीकरण दिया। मैं अखबारों के ऊपर बहुत विश्वास नहीं करता। लेकिन मैंने अखबार की बात कह दी कि मैंने इस तरह पढ़ा था। व्हाइट पेपर की बात भी लिखी गयी थी। उसमें यह भी लिखा गया था कि 50 परसेंट सब्सिडी में कटौती करने वाले हैं वित्त मंत्री जी.... **(व्यवधान)**

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): अब आप समाप्त करें।

श्री ईश दत्त यादव: तो मैं समाप्त करते हुए आपके माध्यम से वित्त मंत्री जी से अनुरोध करता हूं कि कृषि पर सबसिडी कभी कम नहीं करिएगा, बल्कि इसको बढ़ाइये और जितनी सुविधा किसान को तथा छोटे उद्योग-धंधे को दे सकते हैं उतना ही इस देश की अर्थ व्यवस्था में आप सुधार कर सकेंगे और इस देश की अर्थ व्यवस्था को सुदृढ़ कर सकेंगे।

इन्हीं शब्दों के साथ, मैडम, मैं पुनः विनियोग विधेयक का और इस वित्त विधेयक का पूरी तरह से समर्थन करता हूं। आपने समय दिया, बहुत-बहुत धन्यवाद।

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): श्री संजय निरुपम। आप थोड़ा संक्षेप में ही बोलना।

श्री संजय निरुपम (महाराष्ट्र): मैडम, मैं अदर्ज ग्रुप में अकेला हूं।

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): वह ठीक है। समय भी है, लेकिन सदन के पास समय की कमी है, उसका देखते हुए गागर में सागर भर देना।

श्री संजय निरुपम: मैडम, कोशिश कर रहा हूं। शुक्रिया मैडम।

मैडम, मैं माननीय वित्त मंत्री श्री पी० चिदम्बरम् जी का वित्तीय चिंतन अकसर पढ़ता हूं, सुनता हूं। इनका बजट भी मैंने सुना और बाद में पढ़ा। पूरे चिंतन में एक कमी जो मुझे दिखती है वह यह है कि इन्हें गरीबों की चिंता नहीं है। इनका जो यह ताजा बजट है, मतलब तमाम माननीय सदस्यों ने जो अपने-अपने विचार रखें हैं उसका सार यही निकल कर आ रहा है, जो मैंने भी पढ़ा उसका भी सार यही निकल कर आ रहा है कि कार्पोरेट वर्ल्ड की इनकी बड़ी चिंता है, जो अमीर लोग हैं उनकी बहुत चिंता है, गरीबों की चिंता यह नहीं करते। जैसा कि बताया गया है कि बीड़ी पर भी टैक्स बढ़ा दिया गया है जो शामियाना लगाते हैं तंबू वाले, ट्रैक्टर तक का भाव बढ़ा दिया गया है, ट्रैक्टर पर भी ड्यूटी लगाई गई है। कहते हैं हंबल फार्मर की यह सरकार थी, जिसका यह बजट इन्होंने पेश किया था। वह सरकार एक हंबल फार्मर की सरकार थी और फार्मर के साथ भी यह अन्याय हुआ। मैडम, मैं कोई वित्त विशेषज्ञ नहीं हूं, फाईनांस मिनिस्टर खुद एक विशेषज्ञ हैं। मैं आम आदमी की जो भावना इस बजट से जुड़ी हुई, उनकी जो प्रतिक्रिया है, उन प्रतिक्रियाओं को मैं अभिव्यक्त करना चाहता हूं। मैं चाहता हूं वित्त मंत्री महोदय इसे मेरा विचार न समझ करके, आम आदमी का विचार समझ कर सुनें, समझे और अगर हो सके तो उस पर विचार करें।

पहली जो बात है हमारे देश में जो चिंता है लोगों की, वह यह निकल कर आ रही है कि लिक्विडिटी क्रंच है, नकद की कमी है, हमारे यहां कैश की कमी है। सारी समस्या की जड़ कैश की कमी ही बताया जा रहा है। शायद यह काफी हद तक सच भी हो सकता है। राज्य सरकारें अपने शिक्षकों को सेलरी नहीं दे पाती हैं, कर्मचारियों को सेलरी नहीं दे पाती हैं। बैंकों में कैश नहीं है। मनी मार्केट टाइट हो गया है। एक छोटा उद्योगपति बड़े उद्योगपति से पैसे लेने जाता है तो बोला जाता है कि मनी मार्केट टाइट है, पैसा नहीं है। कैश की जो कमी है, लिक्विडिटी क्रंच है, कैश क्रंच है, उसको कैसे दूर करना है? उसको दूर करने के लिए मुझे लगता है बजट में उन्होंने एक अपनी सोच रखी है, अपना एक रास्ता सुझाया है। जो रास्ता सुझाया है वह टैक्स स्ट्रक्चर को ढीला करने के संदर्भ में दिख रहा है। काफी हद तक कम किया गया है। 20 से लेकर 30 परसेंट तक कर दिया गया है, जो इन्कम टैक्स का स्ट्रक्चर है। मैं यह सजेस्ट करूंगा, लोगों की जो मान्यता है, लोग जो चाह रहे हैं, जो एक्सपैक्ट कर रहे हैं, उनकी एक एक्सपैक्टेशन यह है कि टैक्स स्ट्रक्चर को और भी ढीला कर दिया जाए। अगर इन्कम टैक्स और कम कर दिया जाए, थोड़ी देर के लिए मैं यह एक बात सदन में रखता हूं कि अगर पूरी तरह से इन्कम टैक्स एबालिश कर दिया जाए, खत्म कर दिया जाए, तो क्या बिगड़ जाएगा? उससे जो फायदा हो रहा है वह हमें देखना चाहिए। उससे फायदा यह हो रहा है कि लोगों के अंदर जो कर चोरी की प्रवृत्ति बढ़ती चली जा रही है, लोग जो अपना पैसा छुपा कर रखते हैं, जिससे ब्लैक मनी जेनरेट हो रही है, जैसा बताया कि एक लाख अस्सी हजार करोड़ के आसपास हमारे पास ब्लैक मनी है यह ब्लैक मनी लगातार बढ़ती जा रही है और इससे वित्त मंत्री जी खुद परेशान हैं कि ब्लैक मनी कैसे खत्म की जाए, ब्लैक मनी को कैसे बाहर निकाला जाए, उसके लिए उन्होंने वी०डी०एस० स्कीम भी दिया है, तो कर चोरी को रोकने के लिए अगर हम गंभीरता से सोचें, तो टैक्स स्ट्रक्चर ढीला करते-करते, टैक्स को एकदम एबालिश करने के बारे में भी हम सोच सकते हैं, यह इन्कम टैक्स के बारे में मेरा कहना है। मैंने यह देखा है, मैंने खुद अभी फाइनांस मिनिस्ट्री की एनुअल रिपोर्ट देखी है, इसमें एक बात बड़ी स्पष्ट दिख रही है कि जैसे-जैसे हमने इन्कम टैक्स के रेट कम किए हैं वैसे-वैसे हमारा कोलैक्शन बढ़ता चला जा रहा है। लोग खुद सामने से आ करके टैक्स देना शुरू कर देते हैं। हमारे पास 1991-92 की एक फिगर है, उसमें 7,870 करोड़ रुपये का कोलैक्शन इन्कम टैक्स में है। उस समय जो टैक्स रेट था वह 55 परसेंट था। इस साल 1996-97 में जब टैक्स रेट 35 टू 40 परसेंट के आसपास है, इस बीच में है तो कोलैक्शन हमारा 16,605 करोड़ रुपये है। मैडम, मेरा एक सुझाव यह होगा कि टैक्स को और भी घटाया जाए, और भी कम किया जाए, तो कोलैक्शन और बढ़ सकता है और ब्लैक मनी फिर जेनरेट होने की जो आशंका बनी रहती है, जो खतरा बना रहता है, इस माध्यम से उस खतरे को टाला जा सकता है। फिर टैक्स भरने को लेकर, जब लोक सभा में फायनेंस बिल पास हुआ, उस समय जब इन की स्पीच हो रही थी तो इन्होंने टैक्स की चोरी करने वालों को जबर्दस्त धमकी दी और

कहा कि हम छोड़ेंगे नहीं, एक्शन लेंगे। महोदया, मुझे लगता है कि टैक्स-पेयर्स को धमकाने के बजाय अगर उन में ज्यादा-से-ज्यादा आकर्षण टैक्स देने के लिए पैदा किया जाय तो ज्यादा अच्छी व्यवस्था होगी और यह ज्यादा सुचारू रूप से चलनेवाली व्यवस्था होगी। इस के लिए कुछ ऐसी व्यवस्था की जा सकती है जैसे कि अमेरिका में बताया जाता है कि वहां जो व्यक्ति जितना ज्यादा टैक्स भरता है उस को उतने ज्यादा इंसेंटिव्स मिलते हैं, उतनी सुविधाएं, उतनी रियायतें मिलती हैं। मैडम, मैं मुंबई से आता हूं और वहां की जो बुनियादी समस्याएं हैं, उन के चलते लोगों के बच्चों का स्कूलों में एडमीशन नहीं हो पाता है, अस्पतालों में बहुत जल्दी सुविधाएं नहीं मिल पाती। तो ऐसी सुविधाएं उन्हें जल्द मुहैया करायी जा सकती हैं। रेल और हवाई यात्राओं में कुछ रियायतों की व्यवस्था की जा सकती है और कहा जा सकता है कि आप जितना ही टैक्स भरेंगे आप को उतनी ज्यादा सुविधाएं मिलेंगी, उतनी ज्यादा रियायतें मिलेंगी। अगर हम टैक्स-पेयर्स के लिए इस तरह का आकर्षण पैदा करें तो मुझे लगता है कि लोग सामने आकर खुद ज्यादा-से-ज्यादा टैक्स भरने की कोशिश करेंगे और वित्त मंत्री जी कि चिंता काफी हद तक दूर हो सकती है। महोदय, मेरा कहना है कि टैक्स पेयर्स को आकर्षित करने के लिए उसे सम्मान देने की बात सोची जानी चाहिए। हालांकि अभी ऐसी व्यवस्था है कि जो सबसे ज्यादा टैक्स भरता है, उस को हम अवार्ड देते हैं। ऐसी व्यवस्था मुंबई में भी है। महोदया, मैं वित्त मंत्री जी का ध्यान चाहूंगा। मुंबई में एक फिल्म एक्टर हैं शाहरुख खान जी जिन्होंने पिछले साल सब से ज्यादा टैक्स भरा। उन्हें हायएस्ट टैक्स पेयर का अवार्ड दिया गया और जिस दिन उन्हें अवार्ड दिया गया, उस के दो दिन बाद उन के घर पर रेड डाल दिया गयी। तो यह जो सोच है, यह जो व्यवस्था है, उस से टैक्स पेयर्स में नवनिधि बढ़ेगी और वे ज्यादा टूटेंगे। उन के अंदर टैक्स भरने की जो एक इच्छा जाग्रत होती है, वह कम होती चली जाएगी। इसलिए मेरा सुझाव है कि ऐसे टैक्स-पेयर को ज्यादा से ज्यादा सम्मान दिया जाए, उन को ज्यादा-से-ज्यादा प्रमोट किया जाए, उन को ज्यादा-से-ज्यादा सुविधाएं दी जाएं।

महोदया, फिर टैक्स से जुड़ा हुआ ही एक मुद्दा है वालेंटरी डिस्क्लोजर स्कीम का और वित्त मंत्री जी की चिंता यह है कि वह यह वी०डी०एस० इसलिए ला रहे हैं कि देश में ब्लैक-मनी बहुत ज्यादा है और यह ब्लैक-मनी बाहर आ जाय तो बहुत सारी समस्याएं हल हो जाएंगी। इस से कैश की जो कमी है, वह समस्या हल हो जाएगी और एक साथ बहुत सारा पैसा मार्केट में सर्कुलेशन के लिए आ सकता है। महोदया, यह बहुत सही स्कीम है और इस से पहले भी एक स्कीम लाई गई थी, लेकिन वह बहुत ज्यादा सक्सेसफुल नहीं रही। मैं उम्मीद करता हूं कि इस बार वह स्कीम सफल हो जाए।

मैडम, इस स्कीम में मुझे एक-दो कमियां दिखाई देती हैं। महोदया, इस स्कीम में सीक्रेसी का कोई क्लॉज नहीं है। इसे पढ़ने से गोपनीयता कैसे बरती जाएगी, यह पता नहीं चलता है। वित्त मंत्री महोदय ने कहा है कि इस के लिए आप को 1 जुलाई से फॉर्म मिलेगा। वह इनकम टैक्स ऑफिस से लेकर उस में अमाउंट भर कर 30 परसेंट जमा कर दीजिए। उस के बाद आप का सारा पैसा व्हाइट हो जाएगा। यह स्कीम 1 जुलाई से 31 दिसम्बर, 1997 तक है और 1 जुलाई से 31 दिसम्बर तक जो लोग पैसा भरते हैं, वह इस स्कीम के तहत ब्लैकमनी व्हाइट कर सकते हैं। मान लीजिए जिन्होंने कभी बताया नहीं कि हमारे पास एक करोड़ रुपया है तो वह उस में से 30 लाख रुपया जमा कर के 70 लाख रुपया व्हाइट कर सकते हैं लेकिन 31 दिसम्बर के बाद ऐसे लोगों की सुरक्षा की क्या गारंटी होगी? मुझे लगता है कि यह शायद बहुत ज्यादा आपत्तिजनक बात नहीं होगी, लेकिन आयकर अधिकारियों का जो व्यवहार है, वह बहुत अच्छा नहीं रहा है, इस कारण टैक्स-पेयर्स आयकर अधिकारियों से परेशान हैं। महोदया, आयकर अधिकारियों के बारे में ऐसी मान्यता बन गयी है कि वह परेशान करने के लिए आते हैं, लूटने के लिए आते हैं। तो 31 दिसंबर के बाद वही आयकर अधिकारी नई वालेंटरी स्कीम के अंतर्गत आने वाले नए टैक्स-पेयर्स को परेशान करता है तो उन की सुरक्षा के लिए क्या गारंटी है? उन्हें उस से कैसे बचाया जा सकता है, इस संबंध में कोई व्यवस्था इस स्कीम में नहीं है। उसे बचाने के लिए और गोपनीयता बरकरार रखने के लिए महोदया मैं एक सलाह देना चहता हूं कि यह टैक्स कलेक्शन बजाय आयकर विभाग के करने के बैंक्स के थ्रू किया जाना चाहिए जैसी कि व्यवस्था मनमोहन सिंह जी ने की थी। अगर बैंकों के थ्रू इसे लागू किया जाता है तो जिस के पास जितना ज्यादा पैसा होगा वह उतना पैसा बैंक में जमा कर देगा। फिर उस का 30 परसेंट डिटेक्ट कर के इनकम टैक्स डिपार्टमेंट में भेज दिया जाए और करदाता के पास उस का सर्टिफिकेट आ जाय। इस तरह कहीं-न-कहीं सीक्रेसी मेंटेन की जा सकती है। यह मेरा सुझाव है कि सीक्रेसी मेंटेन करने के लिए कुछ इस तरह की व्यवस्था आप करें।

5.00 P.M.

मैडम, दूसरी बात मैं यह कहना चाहता हूं कि जो 1961 का आयकर कानून है, उसकी धारा 132(4) में यह व्यवस्था है कि अगर आपने कभी कोई भी इन्कम टैक्स नहीं दिया है और आपके घर पर रेड डाली जाती है तो आपके यहां जितना भी पैसा पकड़ा जाता है, आप डिसक्लोज कर दीजिए, एक्सेप्ट कर लीजिए कि यह हमारा पैसा है तो उसमें से सिर्फ 30 परसेंट टैक्स के तौर पर लिया जाएगा, बाकी का पैसा आपका ब्लाइट हो जाएगा। यहां जो बी०डी०एस० आया हुआ है, उसे तरह की व्यवस्था तो आयकर कानून में पहले से है। तो इस बी०डी०एस० की क्या जरूरत है? .....(व्यवधान).... ऐसी व्यवस्था है, जो मैं बता रहा हूं मैं कानून का नाम आपको बता रहा हं, उस कानून की धारा 132(4) में व्यवस्था है यह 30 परसेंट की और 10 परसेंट इंसेंटिव लेते हैं आफीसर्स उसमें से।

तो, मडैम, यह जो व्यवस्था है आयकर कानून में, उस कानून के बारे में सोचा जाए कि क्या उस कानून की उस धारा, उस प्रोवीजन का इस्तेमाल हो सकता है इस स्कीम के रहते?

मैडम, इसके बाद मैं एक नोटिफिकेशन का जिक्र यहां करना चाहूंगा। मैंने उस नोटिफिकेशन को लेकर क्वैश्चन के तौर पर भी एक नोटिस दिया था, वह यह कि 1 मार्च, 1997 को इन्होंने यह नोटिफिकेशन जारी किया, जबकि 28 फरवरी को इनका बजट आता है और 1 मार्च, 97 को नोटिफिकेशन यह आ जाता है कि जितनी भी पान मसाला कंपनीज हैं, उन कंपनियों के जो पान मसाला पैकेट हैं, उन पैकेट के वजन पर एक्साइज ड्यूटी लगेगी। पहले यह व्यवस्था थी कि उन पैकेट की प्राइस पर, फैक्टरी प्राइस पर एक्साइज ड्यूटी लगाई जाती थी और अब यह व्यवस्था की गई है। इससे एक आशंका निकल कर आ रही है कि हमारा रेवेन्यू कम हो सकता है और यह पान मसाला कंपनी के ओनर जो हैं उनको सहूलियत देने की बात दिख रही है, उनको रियायत देने की बात दिख रही है। एक तरफ हैल्थ मिनिस्ट्री में 800 करोड़ रुपया हम हर साल खर्च करते हैं नशा मुक्ति अभियान चलाने के लिए और दूसरी तरफ जो पान मसाला फैक्टरी ओनर हैं, उनको इस तरह की रियायत दे रहे हैं। इसके पीछे क्या मजबूरी है, मुझे समझ नहीं आ रहा है। अगर ऐसी कोई मजबूरी थी तो इसका प्रावधान, इसका जिक्र बजट के अंदर क्यों नहीं किया गया? मैंने जो सवाल रखा था, उसका वित्त राज्य मंत्री जी ने जवाब दिया था और उसमें उन्होंने कहा कि इससे कोई रेवेन्यू लोस नहीं होगा। मैं पूछना चाहता हूं कि एग्जेक्टली क्या रेवेन्यू आप इससे, इस नई व्यवस्था से एक्सपेक्ट कर रहे हैं और जो पहले व्यवस्था थी उससे कितना रेवेन्यू जनरेट होता था?

मैडम, इसके साथ ही मैं "फेरा" के संदर्भ में कुछ बात करना चाहूंगा। वित्त मंत्री महोदय ने कहा है कि हम "फेरा" को "फेमा" कर देंग। मैं यहां अखबार की एक क्लिपिंग लेकर आया हूं। उसमें ऐसी इन्फोरमेशन आई है कि जो एनफोर्समेंट डायरेक्टोरेट के आफीसर हैं, उनको ऐसा डर है कि "फेरा" की जो महत्वपूर्ण धाराएं हैं - 8,9 और 18, उसमें से 8 और 9 नंबर की धाराओं को निकाला जा रहा है उस नए कानून से। उसके लिए जो नया ड्राफ्ट तैयार हुआ है, उसमें इन धाराओं को निकाला जा रहा है, कानून मंत्रालय को भेजे जाने से पहले। अगर इन दोनों धाराओं को निकाला जा रहा है, कानून मंत्रालय को भेजे जाने से पहले। अगर इन दोनों धाराओं को निकाला जाता है तो "फेरा" होने का, "फेमा" होने का कोई मतलब ही नहीं रह जाता। फोरेन एक्सचेंज की जो इल्लीगल डीलिंग है, वह और भी बढ़ सकती है। एनफोर्समेंट डायरेक्टोरेट के आफीसर्स ने फाइनेन्स मिनिस्ट्री, ऑनरेबिल फाइनेन्स मिनिस्टर को इस संबंध में लेटर लिखकर निवेदन किया है कि आप इतना बड़ा बुनियादी परिवर्तन मत कीजिए इन कानून में। अन्त में, मैं वित्त मंत्री महोदय से यही निवेदन करना चाहूंगा कि "फेरा" को अगर आप थोड़ा ढीला करना चाह रहे हैं, थोड़ा सा उसको लचीला बनाना चाह रहे हैं तो बनाइए, लेकिन इतना मत बनाइए कि फोरेन एक्सचेंज के वायलेशन के केस और बढ़ते चले जाएं।

मैडम, इन्हीं बातों के साथ मैं अपनी बात खतम करता हं। आपका बहत बहत धन्यवाद।

SHRI R. MARGABANDU (Tamil Nadu): Madam, this budget has been acclaimed as a populist budget. But this has been acclaimed only by one section of the people, i.e. the rich section of the people. The middle man, the poor man and the people below the poverty line are not appreciating it because they do not get any benefit. If this budget is really for the poor people, then prices of foodgrains and other materials should have been reduced. When the prices have not been reduced and when the poor man is not able to purchase foodgrains, how can this budget be for the poor people?

So, I can say that this Budget is not helpful to poor people. Another thing I would like to say is about the small scale industries. The limit has been raised to rupees three lakhs. On the one side it may appear to be a welcome feature. But actually small scale industries are suffering. Whenever benefit is given to the small scale industries, the big industries come and get themselves registered as small scale industries and take away the benefit. The big industries are getting all the benefits. The owners of small scale industries are suffering. This should be considered by the Finance Minsiter. I say that this Budget is only for the rich people. I can quote one instance. The duty on airconditioners and refrigerators has been reduced from 40 per cent. to 30 per cent. The people who use them are not the common people. But excise duty has been imposed on *bidis* and cigars. Now cigar factories are in the small scale sector or the cottage sector. Only the poor man is affected. There is an apprehension that tax on agricultural income is sought to be increased. This would drastically affect the production of foodgrains. I would request the Minister to give some more concessions to the agriculturists so that agricultural production could be encouraged. In this Budget, no special fund or allocation has been made for Tamil Nadu. There are eight Ministers from Tamil Nadu. I feel Tamil Nadu has been neglected and sufficient funds have not been allocated for Tamil Nadu. Bank loans are given to persons who do not repay. I can give the example of the Indian Bank. Persons who are not repaying loans, are given loans and persons who are in need of money and who are capable of repaying the loan, small people, are not given loans. All these things need to be taken into consideration and you should see that this Budget reflects the interests of the poor people also. With this I conclude.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Since each party has taken part and now I have a few more names, I request those Members just to make points, and not make a speech. Shri Surinder Kumar Singla, you have two minutes.

श्री सुरिन्दर कुमार सिंगला: मैडम, दो मिनट में कैसे हो सकता है।

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): प्वाइंट्स में बोलिए, प्वाइंट्स में तो हो सकता है

SHRI SURINDER KUMAR SINGLA (Punjab): Madam, Shri John Fernandes spoke for only 15 minutes.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): I am sorry, but you have only two minutes.

SHRI SURINDER KUMAR SINGLA: Madam, it is very tragic that the coalition mandate in the country has subjected the Indian State and its people to the Common Minimum Programme. It is a very unhappy situation. The Indian States want to really go ahead with bolder plans and bolder initiatives. But we are subjected to the Common Minimum Programme. A very illustrative example of this is the Finance Minister of this country. He went beyond the CMP and people applauded him. People welcomed this as a bold measure. Mr. Salve has described it as the boldest measure taken so far in the last 50 years. Now the stage for the Indian economy is set. Major policy initiatives are needed. I want to congratulate the Finance Minister for taking such a bold step and for presenting a bold Budget to the countrymen. I want to remind you that from day one of your presenting the Budget after presentation of the Budget, you have lots of protests from all sections of political parties in this country. People were crying that they are going to bring Cut Motions, they are going to oppose. When they found that there is a massive support for the Budget, they ran away. They welcomed it. Nobody moved a Cut Motion, including our BJP friends and Marxists. In their heart of hearts they were saying that they cannot oppose such a Budget and they did not. My point is, that is why I say the

coalition mandate, unfortunately in India today, in Indian States today, is a larger and a bolder decision. This is the kind of economy that you have. If you think rightly, in their own judgment they have criticised the reduction of tax. Now, let us say, what would they have really done even if you had kept those taxes infact? You could have got six to seven thousand crores. Does it solve your problem of infrastructure building? Does it make more funds available to allocate more funds to the social sector? The answer is, no. Now, rightly the tax reduction as well as the fiscal incentives offered in the Budget for infrastructural development would generate a massive investment in all areas of economic activity which you can have, boosting both wealth and job generation. I do not want to really repeat. Everybody has been quoting the late shri Rajiv Gandhi. Where has the expenditure of the Central Government and the State Governments for poor people gone? Eighty five per cent of the whole expenditure has gone into the pockets of those who administer these schemes. I will give you two examples. In 1968, Madam, the National Textile Corporation was established. I want to remind my very senior, my very learned colleague, Mr. Ashok Mitra, who was talking about sick companies, from 1968 to 1997, nearly after 29 years, these sick units still remained sick. Madam, if I tell the whole House and, through you, the entire country, the central Government Budget has budgeted something like Rs. 8,000 crores for sick units for paying and keeping the existing unproductive resources in the country. The answer today which is available to the Government of India after hundreds of debates in the Parliament on sick industries or textile industries, after hundreds of meetings by Government officials, the answer available is a package revival. What is the turn-around strategy? The turn-around strategy is the fiscal resources of the company that are available in the form of land. You sell those and modernise. Put that money in banks. This option was available in 1968. Had that been exercised, the country then would have produced wealth and kept the employees in jobs. Now you have used the wrong route for keeping those employees in the job and paying from the Central Government's Budget and what has happened is, you have paralysed them. You are not getting any work. All the resources of the textile industry in the form of NTC....(*Interruptions*).... Madam, those companies which could have been revived should have been revived. Those companies which cannot be revived should have been identified. We did not do it. We are just wasting the nation's resources, the resources of this country which could have been used as a priority expenditure for the poor people of this country. You are not the friend of the poor people of this country. I want to make one observation about the hand-pump scheme. I have information that abut Rs. 8,000 crores have been spent from 1987 onwards. A report of the Planning Commission which was laid on the Table of the House informed us that 80% of the hand-pumps were functioning well. But there is an independent survey conducted by one of my friends which revealed that 90% of the hand-pumps were not there at all, not to speak of the functionality or otherwise. The point I am making is that money in the hands of the Indian Government or the State Governments, is certainly misspent. And money in the hands of individuals is certainly spent wisely. Mr. Chidambaram's reduced tax rates would help me to have more money in my own hands, say Rs. 10,000/- . How do I spend this money? I will certainly be wiser than the Government. It is said that 85% of the Government spending goes into the pockets of individuals which does not get converted into assets. I am having Rs. 10,000/- with me. I may spend Rs. 3,000/- for my expenditure. I will keep the remaining Rs. 7,000/- as savings in the form of some instruments. This will promote investments. Money in my hands is a growth-promoter. My firm belief is

that the Indian State and its various enterprises, like PSUs, cannot be enterepreneurs at all. They cannot be and they will never be. Over the past 50 years, this has been the experience of this country. We have wasted resources after resources. After 50 years, we come to believe that this is the best course. The country has accepted this. Then, why don't we go into this wholeheartedly? There are certain suggestions which my friends have made on, for example, taxation. The voluntary disclosure scheme is a most welcome step. Who does not know that in this country we have had the highest tax rates which generated a lot of black money? Some estimates put it at one lakh crores. Some other estimates put it at 1.8 lakh crores. My learned colleague and former Finance Minister, Shri Satish Agarwal, puts it at three lakh crores. I would go with him. He can be a better judge because the belongs to that community which could fairly judge the quantum of black money available in our economy. It is really a parallel economy. How do you solve this problem? Who is responsible for generation of black money, the tax-evaded money? Is it not due to our tax laws? Is it not our Government? Has not the Government acted immorally through its legislative measures which this Parliament had passed? Why do you call the people as tax evaders. You are really forcing them to evade the taxes. You are forcing the people to become immoral. It is the State which immoralised the people. If the State is immoral, then you cannot expect its people to remain moral. Let the State be moral. Let the State provide an environment whereby its people could be moral and honest citizens. But the State did not do so. Therefore, I would say that this scheme is the most welcome scheme. But there are certain things about which I would like to remind the hon. Finance Minister. You have given a lot of powers to the tax administrators. The powers that you have given to them are so massive that they could prove dangerous. They are capable of being abused. If you believe that that will enable you to collect more money, then you are wrong. The experience shows that it is not so. Even after several searches and seizures, the money collected is not really commensurate with the efforts made. In the process what happens is that you generate more corruption. So, my point is that if you really adopt a model, be transparent, and bring to the minimum the discretionary powers of the tax administration, then you can succeed. You can succeed if you have a system like the Americans have, which is the tax audit system. If somebody has really evaded taxes there, the State has a right to collect that and put a penalty. But the point is that you really use those powers on the basis of some Economic Intelligence. Otherwise you don't order for a raid or a seizure. Why don't you have something like the tax audit system? Ask somebody whether he has really filled in his income tax return or not. If the person has not been able to do that, impose the maximum penalty, and he cannot escape. What happens now is that you don't have that kind of a tax authority and they only settle the cases. I have been asking this from the hon. Finance Minister and the Ministry of Finance for a long time. You have to explain this to the Parliament whether these laws have generated more wealth and collection of more taxes for the Government. If it hasn't then why do you have it? Till date there hasn't been a single explanation. Then why do you want to have it? I am happy that you are enacting new laws which will be simpler, but you please take care of the powers of the tax administration.

Madm, I want to come to a specific issue and that is about the value of the rupee and the dollar. Now, the country has adopted market policies. The market determines the value of the rupee and the dollar.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Kindly conclude now.

SHRI SURINDER KUMAR SINGLA: Yes, Madam. So, if we have adopted that model, why should the Reserve Bank of India intervene to determine an artificial value of the dollar? Let the market forces determine it. I really don't see how you will be increasing your exports if you keep the value of the dollar higher. Please do not pamper the exporters. We have a lot of information as to how the exporters show fake exports and get the money here. If you really do justice, at least your Oil Pool deficit would be reduced by 30% immediately. If the value of the rupee goes up, you don't have to really spend immediately on the oil deficit. Let the Reserve Bank of India determine it. Don't interfere to determine the rate that is available normally between the rupee and the dollar. I think the hon. Finance Minister needs to think on those lines on this matter.

Then, as I have indicated, the Finance Ministry has, to a very large extent, control in allocating funds to various Ministries. I think the whole expenditure policy of the Central Government has to be reviewed, particularly in one context and, that is, whether this policy creates productive assets or not. If it does, then the allocations are fairly justifiable. Of course, there are certain social sectors where it may not be so. But the bottomline test of any expenditure policy should be whether it generates productive assets in the country for long-term benefits or not.

Lastly, Madam, I would like to appeal to the hon. Finance Minister in general terms because I have nothing much to say and also because he knows the problems of the economy. I really want to say that the kind of policing that is being suggested in this country is really a heinous crime that you would be committing against the citizens of this country.

For example, you take FERA, policing of financial institutions and policing of the Reserve Bank of India. Don't accept them as the model of the Marxists to really run the State. Give them freedom; scrap those laws. You will be much happier. One would like to remind you of the United Nations debate on human rights. The kind of people you would like to have, the kind of Indians in the 21st century you would like to see. Would you like to see an Indian being trapped all the time in the illegalities? You create these laws and then you say that it is illegal. I will remind you of a case of mine...

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Kindly conclude.

SHRI SURINDER KUMAR SINGLA: I am concluding. Madam, I have a small property which possibly can fetch me Rs. 16 lakhs in the market. Nobody is ready to buy that property because I want all in white and everybody says, rupees six lakhs in white and rupees ten lakhs in black. What do I do? I cannot sell it. I want that after selling it and while buying another property, I should not be subjected to tax. So, I want actual white money. There is no buyer! Now, let me imagine for a while, what happens? I find a buyer — I am just imagining — an exporter who has all white money and he comes to me and says that he is willing to buy and pay all in white. I am happy. The next day, he comes and says that he is not willing to buy it. I ask, why not? He says that the house tax in Delhi does not make it possible for him to have a house, so he will then have a rented house. He says that he will have to pay house tax on Rs. 16 lakhs and not on Rs. 6 lakhs. So, he is discouraged. He cannot buy that property. The next moment, I still want to sell, I accept rupees ten lakhs in black and rupees six lakhs in white and Mr. Chidambaram's Department raids me. I am found having two moneys, one, rupees ten lakhs, and the other is white money. I being a Member

of Parliament, they will say that disproportionate money was available with me and it is a corrupt money. My money is also tax-evaded money, like that of other businessmen's. But the money in my hand is a corrupt money and the money in the hands of a businessman is a tax-evaded money. You tell me, what the law is. Are not these laws trapping every Indian to be in jail? And the safest place is Tihar. For every law you make, you want to put people behind the bars.

Mr. Chidambaram, I want to tell you that a very good friend of mine who is an expert on stamp duty told me that Mr. Chidambaram's Budget has done the greatest service for the States of India. I asked, how? He said that people would go in for white transactions now. The stamp duty collections in Punjab alone would amount to Rs. 400 crores more. This is the kind of autonomy that you are providing by raising State Governments' resources to the maximum. The people want to be honest and I would say that this Budget is the greatest attempt to keep people remain honest. I don't want to dwell more on these issues that he has liberalised human energies to be put to the best use. For the first time in our history, the Indian States are trusting their own people to generate wealth, to create wealth. It was not available earlier. So, I again really welcome it. Shri Ashok Mitra said...

SHRI DIPANKAR MUKHERJEE: You please tell the Minister that he should not look at us.

SHRI SURINDER KUMAR SINGLA: Mr. Ashok Mitra rightly said that Mr. Chidambaram stays for ten years. I think, let his wish be fulfilled and he does a great job to this country. It is not one dream Budget. India is dreaming for great things to happen in this country. Thank you, Madam.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Now, Mr. Minister...*(Interruptions)*...

श्री ईश दत्त यादवः मैडम, संजय जी को बोलने के लिए सिर्फ दो मिनट का समय दे दीजिए।

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): आपके दल का जो समय था वह आपने ले लिया है।

श्री जनार्दन यादव (बिहार) मैडम, मैं भी बोलना चाहता हूं और आप मुझे भी दो मिनट का समय दे दीजिए।

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): आपकी पार्टी का समय पूरा हो गया है। आप बैठिए।

श्री ईश दत्त यादवः मैडम, ये दो मिनट में ही पाइन्ट्स बोलकर अपनी बात समाप्त कर देंगे।

श्री जनार्दन यादवः मैडम, मुझे भी थोड़ा सा बोलने का समय दे दीजिए।

SHRI SANJAY DALMIA (Uttar Pradesh): Madam, I will make two or three points. .... *(Interruptions)*... I promise that I will not take more than five minutes. madam, the Finance Minister recently declared in Japan that India has reduced the Excise Duty which used to be... ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Mr. Dalmia, you speak from your own seat.

SHRI SANJAY DALMIA: The Finance Minister has said that the Excise Duty which used to be at the rate of 150 per cent has now been brought down to 40 per cent and in a few years' time they would bring it down to the Asian level and later on to the international level. This is a very, very good step provided the non-tariff barriers are taken care of. I would like to give one or two examples in this regard. In the dairy industry what is happening internationally is that they are trying to make international trading in dairy products with the provision that in case India, for example, has to export its dairy products— there are two points; there may be other-- the two main points are that the cattle must be kept in sheds properly and the cattle must be milked by machines. Now, the milk which comes through this source has to be used for the milk products which are to be put in the

international trade. Now, to the best of my knowledge, I do not see this happening in India in the very near future. It also means that though my dairy products are competitive, I will not be allowed to put them in the international market because my cattle is not milked by machines and it is not kept in the sheds. By and large, this may be happening only in one or two per cent of the cases. This is something, according to me, denying or making it impossible for the Indian dairy products to be put in the international market. The same must be true for other developing countries also. We are talking about opening up of our market, reducing our tariffs. I have no quarrel with that. But, there must be a reciprocal arrangement and in case the developed countries put this kind of non-tariff barriers, then we will also be constrained to do similar thing. Sir, I will give the example of soda ash industry. This is the other way round. Madam, soda ash in India is made by a chemical process, whereas in America they have most of the soda ash coming out from the mines and minerals. It comes out as a natural soda ash. Madam, in no way the chemical soda ash can compete with the natural soda ash. It is just taken out of mines, etc. and sold. In India, I have to start with the basic raw materials. There is no comparison between the two. But, in India, we have not taken it as a plea to give special protection to our industries like soda ash. There may be other examples also. This is one point that I wanted to bring to the notice of the hon. Finance Minister. The second point is that the Government has been reducing the Excise Duty on various commodities with the stipulation that by and large the benefit will be passed on to the consumers. There are cases where this has not been adhered to. What is the point in reducing the tax if any benefit is not going to pass on to the consumers? It has been specifically mentioned by the Government that this has been done so that the benefit can be passed on to the consumers. But, this is not being done. Madam, take a reverse case. You increase the duty. The normal expectation is, the price will go up due to increase in duty plus normal cost of living index or inflation, whatever it is, something on those lines. But, there are cases where the duty has been increased by Re. 1 and the price has been increased by Rs. 10. There is no such inflation of Rs. 9. Who has benefited? The Exchequer has not got the due. A few companies have taken benefit of this. My idea of bringing it to the notice of the hon. Finance Minister is that there are cases like this. I am sure I can give examples where it has happened. I think these are nothing but cases of unjust enrichment on which there is a judgement of the Supreme Court where it has said that if you have charged the duty from the consumer in the price, even though that duty is not legal, one will not be entitled to refund. So far as charging duty from the consumer is concerned, I am not allowed to get the refund even though the duty is not legal. Similar is the case where the duty has been increased by Re. 1, and you increase the price by ten times or Rs. 10. I think, it is nothing but unjust enrichment. There are cases like this which, if the hon. Finance Minister wants, I can bring to his notice. I think, there is a clear-cut case and in such cases, both ways—if the duty is reduced and the benefit is not passed on to the consumer, by and large, or where the duty is increased and the price is increased substantially—there is a case for the hon. Finance Minister to mop up that surplus. There are the two points which I wanted to make. Thank you very much for having given me the time.

श्री जनार्दन यादव (बिहार): महोदया, दो मिनट।

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): दो मिनट। अच्छी बात है। दो मिनट बोलिए।

श्री जनार्दन यादव: महोदया, वित्त मंत्री जी ने जो बजट प्रस्तुत किया है उसमें उनका केंद्रबिंदु गांव नहीं है। यह जो बजट है यह गरीब विरोधी है, किसान विरोधी है, गांव विरोधी है। इसलिए मैं चाहूंगा कि वित्त मंत्री जी

जब भी आप आगे बजट बनाएं तो गांव आपके बजट के सामने रहे। जो देश में गांवों में आबादी है-72 प्रतिशत इस देश में गांवों में लोग रहते हैं तो बजट का खर्च आबादी के अनुसार आप कीजिए। पहला सुझाव मेरा यह है।

दूसरा सुझाव मेरा यह है कि आप जो पैसा राज्यों को भेजते हैं इस केंद्रीय बजट से उसका सही सही खर्च होता है या नहीं होता है इसकी निगरानी आप नहीं रखते हैं जबकि इस देश के पूर्व प्रधान मंत्री ने कहा था कि 85 पैसा जिनके लिए जो जाता है वह उन पर खर्च नहीं होता है। इसका ध्यान आपने नहीं किया। सी० ए० जी० आपके अंदर की चीज है, ए० जी० आपके अंदर की चीज है। पैसा किस प्रकार से खर्च हो रहा है यह देखने की वही संस्था है। आपको बिहार के बारे में सी० ए० जी० ने एक रिपोर्ट दी है, आपको एक पत्र लिखा है कि बिहार में जो आपका केंद्रीय पैसा है ....**(व्यवधान)** ठहरिए, आप बैठिए। मैं लालू यादव को टच नहीं कर रहा हूं। सी० ए० जी० की रिपोर्ट इस देश के प्रधान मंत्री को है, वित्त मंत्री को है। ए० जी० की रिपोर्ट आज चक्रवर्ती ने दी है कि बिहार में पैसे का दुरुपयोग हो रहा है। जिसके लिए पैसा दिया उस प्रकार से खर्च नहीं हुआ है। आपने अभी तक इस पर कोई कार्यवाही नहीं की है। अगर देश में पैसे की लूट को आप नहीं रोकेंगे तो बजट में चाहे कितना पैसा दे दीजिए गरीबों का उद्धार नहीं होगा ....**(व्यवधान)** किसानों का उद्धार नहीं होगा, मजदूरों का उद्धार नहीं होगा।

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): आपका समय पूरा हो गया है। बैठिए। हां, नरेशजी, एक मिनट।

श्री नरेश यादव (बिहार): उपसभाध्यक्ष महोदया, मैं इस बजट के समर्थन में खड़ा हुआ हूं। माननीय वित्त मंत्री जी ने यह बजट प्रस्तुत करके यह साबित किया है कि कम बोझ देश पर डालकर इतना अच्छा बजट प्रस्तुत किया जा सकता है। एक आग्रह मैं सिर्फ करना चाहता हूं वह यह कि आधी आबादी इस देश में महिलाओं की है। इस देश की महिलाएं आज भी रेल और रोड की बगल में शौच को जाती हैं। माननीय वित्त मंत्री महोदय सिर्फ एक आग्रह करना चाहूंगा कि हिंदुस्तान में पुरुषों के लिए न सही कम से कम गांव की महिलाओं के लिए, इस देश की महिलाओं के लिए सड़क की बगल में-जिससे शौचालय नहीं जाएं.... । रोड के बगल में वे शौच नहीं जाएं, जिससे कि गाड़ी के पास करने पर, किसी व्यक्ति के पास करने पर उन्हें खड़ी न होना पड़े। इस समस्या से हिन्दुस्तान की महिलाओं को जूझना पड़ रहा है। इसलिए पूरी सबसिडी दे करके हिन्दुस्तान के गांवों में एक अभियान चलाइये कि शौचालयों का निर्माण पूरे गांवों में किया जाए।

महोदया, यही कहने के लिए मैं खड़ा हुआ था। आपका बहुत-बहुत धन्यवाद।

उपसभाध्यक्ष (श्रीमती कमला सिन्हा): वित्त मंत्री जी।

SHRI P. CHIDAMBARAM: Madam Chairperson, I am grateful to the hon. Members of this House for participating in this debate on the Finance Bill. I apologise for not being present yesterday. My colleague, the Minister of State for Finance, had taken copious notes.

Madam, I have just returned from Japan. Fifty-six countries are members of the Asian Development Bank. We belong to South Asia. Seven countries belong to South Asia. For many years, in this country, the words 'World Bank' and 'IMF' were considered as dirty words. Even today, some people take great pleasure in thrashing the World Bank and the IMF. But I do not think they have the same attitude towards the Asian Development Bank.

The Asian Development Bank came out with an Asian Development Report. There is a famous economist, belonging to South Asia, Dr. Maqbool Haq. He came out with a Human Development Report on South Asia.

A remarkable document known as 'Emerging Asia' has been produced by a group of economists; one of the distinguished advisors of that group was Dr. Manmohan Singh.

What do these documents show? These documents show that contrary to popular belief, it is not the Sub-Saharan Africa which is the poorest region in the world, but it is the South Asian region which is the poorest region in the world.

One billion of the world's most deprived and the poorest live in South Asia. Almost 330 million of this one billion live in India. One-fourth of the

worlds blind live in India. One-half of the world's illiterate people live in India. India's *per capita* is 309 dollars. That is about the average for South Asia. Sub-Saharan Africa's *per capita* is 550 dollars.

There is no pride in talking about a past of which many of us do not know anything, except through history textbooks and mythological textbooks. Either we stand tall and proud in this age, in this time, or, we hang our heads in shame, when we compare ourselves with what is happening in the rest of the world.

There was greater poverty in the South-East Asian countries. Japan was poor. China was poor. China was poorer than India. Philippines, Indonesia, Thailand, Malaysia, Singapore, Vietnam, were all poorer than India. Each one of these countries has, over a period of time, grown—many of these countries even today continue to grow—at ten per cent. It is only India which has been limping along at three-and-a-half per cent thirty years after Independence. Mrs. Chowdhury mentioned the two years. I wish Dr. Ashok Mitra was here. He will recognise those two years more than anyone else in this House. These were the years of India's worst performance. In one of the years, India's GDP grew at a negative rate— – 0.03 per cent. I am amazed to see that there is such a fascination for the policies that we have followed in the first 30 or 40 years and that there is a plea that we should continue to follow those policies. Madam, the time has come for us to change. We did change course in 1991. It was not a change without continuity. Change is always with some continuity. But, we must recognise why South Asia remains one of the poorest regions in the world and why, in South Asia, India remains the poorest, except one or two countries. The reason is that we became insular. We closed our economy. Our economy became incompetitive. Our share of the world trade dwindled year after year after year. As a result, the efficiency and productivity declined sharply, and, hence, we are unable to produce the goods and services that we require, and we are unable to produce the goods and services that the world requires.

There are some lessons which we must learn from South-East Asia. I had an opportunity to speak about those lessons earlier when I intervened in the Budget debate, and I have spoken about them in many fora. The more open the economy of India will be, the stronger will it become. The degree of openness of an economy is measured by the percentage of its imports and exports to its GDP. India must continue to attract foreign capital and technology. China attracted last year $ 40 billion. Even allowing for some round tripping, $ 30 billion flowed into China. Nobody has taken over China. Nobody in China fears that anyone can take over China. Why do we have this pathological fear that someone will come and take over India? Who can take over India? Who can take over a billion people? Is there any country in the world with the human resources to take over a billion people?

It is manufacturing and manufactured exports which can lead us to a high growth-rate. Our manufacturing will become strong only if we expose it to competition. I do not wish to enter into that debate now. Be it in the public sector or be it in the private sector, our manufacturing must be exposed to competition.

All monopolies are suspect. There are some monopolies which are natural monopolies which the State must protect. But, we must begin by saying that all monoplies are suspect. Every monopoly, if it wishes to remain a monopoly, must justify why it deserves to be a monopoly. It is by competition that we can add an edge to our manufacturing skills and our manufacturing competitiveness. It is only through growth of manufacturing and

growth of manufactured exports that we can win a place in the world economy.

Finally, we must improve the productivity. China's gains have come after its productivity gains have been 3.9 per cent a year. Are we paying enough attention to productivity? Is our public sector or our private sector paying attention to productivity?

Finally, Madam, money is not free. Some people think that if you tax the people of India, that is a free money. It is not. There is an opportunity cost. If that money was not taxed, that money would have been invested more productively. Whether I tax and collect money or I borrow and collect money, it is the people's money. We in this House, who exercise the sovereign power of taxation and the power to invest or spend that money in the name of the people, owe it to the people to give them a return on their money. Today, the cost of borrowing is 13 per cent. If I invest it either in industry or in the social sector, even allowing for some subsidies, if the return is a meagre 3 per cent or the return is a negative return in the Government sector, how do we justify it to the people of India that we have used their money properly?

The lessons of South-East Asia are: keep your economy open, allow manufacturing and manufactured exports to show the way, trade more, keep inflation low, allow the inflow of capital and technology and put your faith in the entrepreneurial skills of your people even while you wish to protect some sectors as natural State monopolies. This is how these countries have overtaken us; this is how these countries have out-distanced us. The Minister from Indonesia told me that his country is returning a 2 per cent fiscal surplus every year. Malaysia is offering us technology to build roads. Singapore has the world's best airport and is offering us to build a similar airport at Bangalore. For some reason we are not able to make up our mind. China today exports almost 160 billion dollars and we are struggling at 33 billion dollars. China imports over 100 billion dollars and we cry foul when our imports rise to 40 billion dollars. Bangladesh has inflation less than 3 per cent by simply opening its entire import policy. I think we must give up this presumptuous attitude that we know all the answers and we have nothing to learn from the rest of the world. Madam, there is no country in the world, which follows a *de registe* economy, a State-driven economy. Every one of them has given that up. Perhaps North Korea and Cuba continue to practise it and you know with what results. There is no place for a *de registe* economy.

Madam, I have read the C.M.P. just now. Sitting in this House I have read the Common Minimum Programme. I have done nothing against the Common Minimum Programme. On the contrary I have been faithful to the Common Minimum Programme. If there was a single party Government with a more liberal platform, we could have done more. I do not intend to do that. I intend to stick to the Common Minimum Programme, because my party as well as all other parties have signed that Common Minimum Programme. I am, therefore, duty-bound to implement the Common Minimum Programme. There is nothing that I have done which runs counter to the Common Minimum Programme. Madam, it is in that light that we discussed the budget in this House and it is one of the most useful discussions.

We should look at the Finance Bill. What does the Finance Bill say? The Finance Bill says that we must become competitive at least with the rest of Asia, if not the world. The Minister from Indonesia, Mr. Mohammad, told me that his import duties are 0, 5 and 10. Our import duties still are at the peak rate of 40 and many are at 30 and many other are at 20. Indonesia has been growing at 12 per cent. We lowered the customs duties and opened up imports. And what has happened? Last year non-P.O.L. im-

ports actually declined by one per cent. World's goods are not flooding into India. They will not, because the people are not fools. The people will base their purchases only on price, quality and delivery. If the Indian goods are good enough, why will people buy foreign goods? Despite lowering of customs duties, despite opening up the trade policy, India's non-P.O.L. imports declined by one per cent. There is no fear at all on that ground. As I said, India must become competitive at least with Asian nations. My tax rates, which I proposed—I would submit most humbly—are now competitive with Asian nations, if you look at rate versus rate. But, if you look at the level at which the rate applies, we are still uncompetitive. The level at which the rate applies in other countries is much higher. We apply at Rs. 40,000, Rs. 60,000 and Rs. 1,50,000. Other countries apply it at a much higher level. But, I do not propose to tamper with that. At least our rates must become competitive with rates in other countries so that people will invest. There is an incentive to invest. It is not easy to run a factory. It is all very nice for people with cloistered safety and security of our Chambers to talk about industry, minting money and not paying taxes. Just go and start a factory and you know what it is. You must go and ask people, young people, young boys, young girls who have come out with engineering degrees, with MBA degrees and other degrees. Just see the difficulty they have in starting a business. Is it easy to start a business in this country? Maybe, if your father and your grandfather have built a business, it may be easy to inherit one and run it. Even there, people have failed. Is it easy to start a business? Let us not ask among ourselves. Let us ask our sons and daughters who are grown up and who want to do business. Is it easy to start a business in this country? To get land, to get water, to get power, to get raw material, to get a telephone, to get the production process going, to find a market and to sell it is not an easy task. If they do that, then, that is entrepreneurship, that is an entrepreneurial spirit. That is the animal spirit which must be unleashed in this country—maybe, small, maybe medium business, maybe large businesses, depending upon the capital one is able to attract. But for that kind of work, I believe, an indivudual should not be taxed more than 30 per cent. That is all that I propose. I believe that this has been widely welcomed throughout the country. Now, let us see what it does to the fat cats who have been avoiding paying taxes. I said this in the Lok Sabha and I say it now that we would give them one last chance to come clean. Hundreds of people came and told me that there is now no more justification to evade taxes. Yes, ther is no more justification to evade taxes. At 30 per cent tax, I believe that 99 per cent of Indians would honestly pay their taxes. So, for that one black sheep, the law has been tightened. As you know, Chapter 14-B has been tightened. I will not hesitate to take the stringent action including presecution for those who evade taxes after the rates have been brought down to 30 per cent.

Now, what have we done on the customs side? The peak rate remains at 40. Most rates are at 30 and 25. Capital goods duty is at 20. Of course, it does put pressure on the Indian industry. But I believe that that kind of pressure must be put on the Indian Industry. If capital goods were taxed at 50 per cent, what does it mean? For example, Daewoo puts up a car factor in India and imports capital goods, let us say, for Rs.200 crores. The same factory could be put up in Indonesia. If 50 per cent is the customs duty, the cost of capital investment in India straigtway jumps from Rs. 200 crores to Rs. 300 crores whereas zero per cent is the capital goods duty in Indonesia or 5 per cent is the capital goods duty in Indonesia, the cost which is Rs. 200 crores becomes Rs. 210 crores. A factory which starts with a capital invest-

ment of rs.210 crores or a factory which starts with a capital investment of Rs. 300 crores—which is the factory whcih would be more competitive? Surely, it would be the factory which has the lower capital cost which is more competitive. That is why capital is flowing into Indoneisa, flowing into philippines, flowing into Thailand, flowing into into Vietnam which until ten years ago was striven by civil war. Last year $10 billion have flowed into Vietnam. But that kind of capital will not come either from the domestic sources or from foreign sources unless we reduce our duties and tariffs. Assume an Indian entrepreneur wants to put a factory, then, he will have to import capital goods and immediately his cost goes up. Therefore, we are gradually bringing it down. We are not bringing it down sharply. Assume an Indian entrepreneur want to put a factory, then, he will have to import capital goods and immediately his cost goes up. Therefore, we are gradully bringing it down. We are not bringing itdown sharply although there is a powerful argument for bringing it down sharply, we are not doing so. We are giving the Indian industry enough time to adjust over a period of six years. We have brought the duties down to 40 per cent. But should we not resolve that bythe year 2000 India's customs duty must by competitive with the Asian customs duties must be competitive with the Asian customs duties and therefor four years later we must be competitive with the rest of the world? Economic reforms is not a 100 year story. It cannot be for 100 years.

If our per captia is 309, when will we catch up with the developed countries? Japan's per capita is $37,000. Korea will join the OECD or has already joined the OECD last December. Singapore and Malaysia are kncking the doors to joint the OECD as developed countries. The Prime Minister of Malaysia, Shri Mahathir produly says "By 2020, my country will no longer be a developing country. Ours will be a developed country"

6.00 P.M.

Who are working in Malaysia? It is the Chinese, the Malays and the Indians who are working in Malaysia. My Finance secretary visited the Singapore Port. Who runs the Singapore Port? A sikh from Jalandhar and a Tamil from Chennai. These are the two top officers running the Singapore Port. It is not that Indians cannot run a port. If you want to keep it as a monopoly, we must given them autonomy. Otherwise you must privatise. I am not making an argument on merit whether the public sector is good or the private sector is good. Whatever we do, we must do it efficiently; we must do it with high productivity; we must do it competitively. I think tariffs must be brought down and we are bringing down the tariffs; excise duty must be brought down; we must widen the tax base and bring down the excise duty. And as I have said, we are moving towards, we arw converging towards, a rate roughly around 18 per cent. All over the world, the value-added tax is about 18 per cent. What I have done is, moving towards that 18 per cent by raising some excise duties and reducing most excise duties. In about two or three years, I hope we can coverge towards 18 per cent in which event we will have the equivalent of a Central VAT and that is where we should go. We should get rid of these hundreds of rates and hundreds of exemptions. It is this which creates room for discretion and therefore corruption; it is this which creates room for discretion and therefore arbitratiness; it is this which creates room for discretion and therefore litigation. We must get rid of corruption; we must get rid of arbitrariness; we must get rid of litigation. And the only way to do it is to have simpler rates, smaller rates, but a wider tax base. Every one will be happy to pay a small tax and lead a life with clean conscience and peace. We are making people in this country tax-evaders, corruptors of the bureaucracy and litigious people. First they evade tax; then they corrupt the bureaucracy; and then they go to court to fight the cases.

We must get rid of these unproductive things. The only way we can do that is to bring down both direct taxes and indirect taxes to the Asian level. Let us set a goal for ourselves—"By 2000, India will at least Asianise herself, even if she does not globalise herself." Let us learn to compete with our Asian neighbours. Let us once again stand tall and proud among the Asian countries. Let us get rid of the tag that south Asia is the most backward part of the world. Let us get rid of the tag that south Asia is the most under-developed part of the world. I would try to place copies of the "Emerging Asia Report" as well as the "Asian Development Report" and the "Asian Development Outlook" in the Library. I would urge hon. Members to take xerox copies of some of the chapters there and read for themselves and know what is happening in the rest of Asia and therefore what we need to do and the distance that we have to cover.

Madam, we had a long interruption which I did not intend. But I believe I got carried away to some extent.

Let me now deal with some of the points which were made by hon. Members in the next ten minutes or so.

There was some reference by Mr. Satish Agarwal to India's external debt. I have already circulated a paper on the external debt. I think our management of the external debt has been good and the external debt position has improved in recent years. From 99 billion dollars at the end of March, 1995, it came down to 92 billion at the end of March, 1996. And the debt-service ratio which had reached a high of 35.5 per cent in 1990-91 came down to 25.7 per cent in 1996-97 and by March, 1997 it is expected to come down further to 25.1 per cent and the next year, by March, 1998, it will come down to about 20 per cent. The debt-to-GDP ratio which had reached a peak of 41 per cent in 1991-92 has declined to 28.17 per cent in 1995-96. So, our management of the external debt has been good. On the internal debt, there is no question of India falling into an internal debt trap. In fact, the centre's public finances are improved. Consider the following facts. The central Government's fiscal deficit has declined from over 8.31 per cent in 1990-91 to a projected 4.5 per cent in 1997-98.

The total outstanding liabilities of the Central Government, including external debt, as a proportion to GDP, have come down from 69 per cent in 1993-94 to 64 per cent in 1995-96. The primary deficit of the Central Government which was as high as 4.3 per cent in 1990-91 has come down steadily to 0.4 per cent in 1996-97 RE, and, for the first time, as you will recall from the Budget Papers, I am projecting a primary surplus in 1997-98.

The hon. Member, Mr. Satish Agarwal, raised some point about notifications made on the 11th of April. The same point was raised by Dr. Murli Manohar Joshi in the Lok Sabha. I had offered to place all the notifications. These are all notifications giving effect to the Exim Policy, the Exim Policy which was announced on the 31st of March, and, therefore, the officer had to prepare the notification and issue it as soon as possible. He issued it on the 11th of April. The fact that the Lok Sabha was voting on a confidence Motion on the 11th of April could not have stopped the Exim Policy being implemented. Otherwise, the Exim Policy will remain unimplemented. However, he did mention one notification where I had imposed a Rs. 6/—per kg. specific duty on independent yarn processors. The reason is, prior to the Budget, this was exempt. In the Budget, I proposed withdrawal of the exemption. We withdrew the exemption; a scheduled rate was applied. The scheduled rate was 30 per cent *ad valorem*. Immediately, representations were received that 30 per *ad valorem* was a high duty and the independent yarn processors would have a bear to double burden because they

could not take MODVAT credit because, at the earlier stage, the MODVAT chain was broken; therefore, we amended the notification issued on the 1st of March, 1997, immediately after the Budget was presented, and we imposed a Rs.6/—per kg. specific rate of duty subject to the condition that MODVAT was not taken by the independent yarn producers. The same rate was applied to all other processed filament yarns. This has been done before. It has been done year after year. An omnibus notification was issued on the day after the Budget, on the 1st of March. But between that date and the date the Budget is passed, the Finance Bill is passed, by both Houses of Parliament, there are almost 75 days. In between, if representations are received, amendments are made to the notification. I am not amending the Finance Bill. I could not have amended the Finance Bill, as proposed, but I would have come to this House. The notifications are amended. I thought, therefore, I will pick up one example from 1977, the year Mr. Satish Agarwal was recognised...*(Interruptions)*....Of course, I picked up examples. In 1977 also, a notification was first issued the day after the Budget was presented, on the 18th of June. But these notifications were amended on the 2nd of July, 1977 and the 4th of July, 1977, long before the Finance Bill was passed. This is a usual practice where notifications are issued either imposing duties or withdrawing exemptions. If representations are received to modify, one doesn't wait until 75 days because it is by notifications, and notifications are modified. Nothing unusual has been done.

There was some debate about wooden paper. Both are consistent; I have reduced the duty on paper and paper-board, made from unconventional materials, from ten per cent to eight per cent *ad valorem* and I have raised the first clearances from 10,000 tonnes to 15,000 tonnes. Similarly, imported wood logs are completely exempt from duty. Both preserve our wood resources.

There was some reference to *Namkeens. Namkeens Chabena, Bhujia* are all exempt from duty for many years. There is no excise duty. There is an eight per cent duty on food preparations, but *Chabena, Bhujia, Namkeens,* sweet meats, snacks are all exempt from duty for several years. The exemption continues.

Mr. Rahman Khan referred to the duty on the transport sector. Madam, what I have done is very simple. There is a duty, there is a service tax. I believe that a service tax is perfectly justified; 42 per cent of India's excise duty comes from the service sector; 30 per cent comes from agriculture. I cannot tax agriculture, and if I do not tax the service sector also, what do I tax? In course of time, the service sector is going to grow.

Therefore, the service tax is perfectly justified. We have imposed a small five per cent duty on the service sector. We have selected 10 services this year. The tax is not going to come into force tomorrow. I have made it very clear that once the Finance Bill is passed and assented to, we will invite the associations of these sectors to a discussion. We will ask them for their comments on how the tax should be levied; should there be a thrshold exemption for a small service producer and how the tax should be collected. Thereafter, rules will be made. Once rules are made, the tax will be levied prospectively. We did if for the advertising sector last year. They made representations. We considered those representations and devised an acceptable method is which the tax should be levied and collected. They have no complaints now. Similarly, I will do my best to ensure that none of the sectors has any reason to complain that the burden falls too heavily upon them. We will find ways and means by which tax can be raised and, at the same time, the burden is not felt too much by any of the service sectors.

There was some criticism about cigarettes and *beedis*. I think the criticism is misplaced. On *beedis*, I have raised the excise duty from Rs. 5/- to Rs. 6/- per thousand. It was last raised four years back. It works out to one paise for ten *beedis* or two-and-a-half paise for a bundle of 25 *beedis*. At the instance of the CPI Member, Shrimati Geeta Mukherjee, on mini-cigarette, I raised it in July from Rs. 60/- to Rs. 75/- and this year from Rs. 75/- to Rs. 90/-. That means the increase in mini-cigarettes which is allegedly competing with *beedis*, is 15-times that of *beedis*. There is a 15-times increase. Therefore, there is no way in which *beedis*, will be affected by putting a small tax because I have compensated it by a larger rise in mini-cigarettes. On the mechanised sector, I did impose Rs. 3/-. But I have reduced it to Rs. 2.75. There were a number of representations, particularly from the Chief Minister of West Bengal that the factory located in West Bengal will be affected if I did not reduce it. I could not reduce it much more. So I reduced it marginally from Rs. 3/- to Rs. 2.75. I raised it to Rs. 3/-, but I reduced it to Rs. 2.75. I have responded. I have responded to the CPI. I have responded to the CPI (M). I have responded to everybody I do not know why people say that I am not responsive. I am even responding to the Congress also.

Umbrellas have been exempted. Umbrella's exemption was pleaded by the BJP, by the CPI (M), by the Congress and by everybody. Everybody argued on umbrellas. They are exempt. So wherever it is possible to respond, I have responded without sacrificing too much. Nevertheless, I have sacrificed Rs. 111 crores on duty.

Now Shri Raghavji has got a large number of amendments. I sincerely hope that he will not press those amendments.

SHRI RAGHAVJI: I would like to mention one thing.

SHRI P. CHIDAMBARAM: Which amendment? You tell me. I will answer that point.

SHRI RAGHAVJI: I want to know about firm tax and service tax.

SHRI P. CHIDAMBARAM: I have just explained about the service tax. Now I will explain to you about firm tax. Madam, there is a way of looking at things. Firm tax was 40 per cent and company tax was 40 per cent. Then individual tax is 40 per rent. Individual tax is reduced from 40 to 30 per cent. Company tax is reduced from 40 to 35 per cent. What Shri Raghavji says is; compare a firm with an individual and reduce it to 30 per cent. What I tell him is: compare a firm with a company and reduce it to 35 per cent. It is a way of looking at things. *(Interruptions)*. I am coming to that. A firm is not an individual. A firm is a synergy of individuals. Here two plus two is not four. Why do people come together and form a partnership firm? If both of them can do individual businesses on the same address and in the same room, they will do individual business and each one will pay 30 per cent tax. They believe that if 'A' and 'B' join together, there is a synergy. That synergy gives them an advantage over an individual. Therefore, they come together and form a firm. If they find a greater advantage, they will form a company. Many firms become companies also. Therefore it is a synergy. Two plus two is not four here. Two plus two is five, two plus two is six. There is a synergy. That is why firms have always been taxed at the same rate at which a company is taxed. When I reduced the company tax from 40 per cent to 35 per cent, I reduced the firm tax also from 40 per cent to 35 per cent.

I have made a correction. Earlier, salary and interest were not deductable. From 1.4.1994, they were not deductable. I have now given back that benefit. I have retrospectively restored that position. So, the salary paid to a partner,

interest paid to a partner, are deductable before the tax is calculated. I think, taken together, what I have done for a partnership firm is more than adequate and I would request Mr. Raghavji not to press that amendment. There was some reference to power. I realised it. I gave the figures in my opening statement. I do not know whether there was a chance for my colleage to read that part of the statement. I just want to read one paragraph. The power sector fared poorly in the 8th Plan period. I wish Mr. Salve was here. Against a target of 30,538 MW, the actual capacity addition was around 18,000 MW. The 9th Plan target is 38,000 MW. Resources have to be mobilised. In the nine Central public enterprises in the power sector, for 1996-97, the requirement was Rs. 5,508 crores, of which Rs. 2,608 crores is Budgetary support. In 1997-98, we have raised the Plan outlay in the Central public sector enterprises in power to Rs. 6,818 crores. I had originally promised a Budgetary support of Rs. 2,320 crores, an increase of almost Rs. 260 crores over last year. There is an increase of about 13 per cent. I found this inadequate. Therefore, I have promised an additional Budgetary support of Rs. 900 crores in 1997-98 for the power sector.

Even this is inadequate. But we cannot find more money. Therefore, we have to encourage private sector to invest. But I am conscious that public sector has to lead the way in the power area. Therfore, we have raised the Budgetary support from Rs. 2068 crores last year to BE Rs. 2,320 crores. I have raised it from Rs. 2,320 crores to Rs. 3,220 crores for the power sector. My highest priority is power, telecom, petroleum and all other infrastrucutre. Madam, I do not wish to go at great length on infrastructure. I have spelt it out in my Budget speech. There was some reference to tractors. I think there is some misconception. There is no excise duty on small tractors. The excise duty on 1800 cc tractors was increased from 10 to 13 per cent because the modvat itself comes to about 10 per cent. Therefore, in order to prevent any modvat overflow and in order to ensure that some tax is collected in cash on big tractors which are used by big farmers, we have raised it from 10 to 13 per cent. It is a small increase. There is no excise duty on small tractors of capacity less than 1800 cc. Mrs. Chowdhury mentioned about the slow-down in industry. I will announce, in a day or two when the slowdown started. It is obvious. We have done a cumulative graph the slowdown. It is started in 1995-96. If you look at the cumulative growth rate for industry, in 1995-96 April, it touched a peak of about 15.89 per cent. It has declined month after month in the 12 months of 1995-96. Again it climbed in 1996-97. It picked up a little in the month of July-August. It again declined. The real cause of this decline is the petroleum sector. I could spend some time on the petroleum sector, but I will choose another occasion to elaborate on that. Last year we touched a peak of 35 million tonnes. This year, crude oil production in India is 10 per cent less than last year. They have not simply picked up. At 10 per cent less production that last year, it has a tremendous impact on the index of industrial production and power is growing only by 3.8 per cent. These are the two poor performing key sectors of our industry. Because power is not available, because people have to rely upon captive generation using diesel motors, the consumption of POL product: has shot up. Import of POL is growing by 40 per cent. In 1996-97, it grew by 40 per cent. Unless this country addresses itself to the question of petrolcum, both crude oil production as well as petroleum prices, and unless we pay attention to the power sector, there is no way we can sustain a 12 per cent industrial growth. The CMP talks of 12 per cent industrial growth. Last year the manufacturing sector achieved about eleven per cent. We will not be able to achieve it unless we address petroleum and power. On power, I have been able

to do something by providing an additional Rs. 900 crores. This will mean it will accelerate the energisation of 6,000 mega watts capacity over the next two to three years. Otherwise, there will be a delay by another two to three years. These are the last mile projects where a little more money will complete the products. On petroleum, we would have to take a view. We will have to find ways and means by which crude oil production can go back to a least 35 million tonnes. We should have been touching 40 million tonnes. Our dependency on import is increasing year after year and on power we must reverse the sluggish growth and on petroleum we must reverse the negative growth. Without these two sectors performing better, Madam, there is no way in which industry will grow. Yet, industry is holding because many other manufacturing sectors

are doing well. This year, there will be a slow down in the GDP growth because these two sectors are performing poorly. But I do hope that next year, that is 1997-98, this year we are in 1996-97, I hope 1997-98 will be a better year. Finally,

Madam, there was some criticism about why you are not allowing companies to advertise in political souvenirs. Well, companies are not allowed to donate to political parties. Therefore, correspondingly, companies cannot be allowed to indirectly donate to political parties by advertising souvenirs. But if there is a consensus in the House about corporate donations to political parties, we can take a look at it. I have no strong view on the matter. If there is a consensus among all political parties about corporate donations to political parties, I am willing to take a look at it. Some questioned about MRP. Madam, again there is a misconception, not that MRP is going to be taken as an excise duty value for all products. MRP is required by a law for certain products. Now we know what those products are. We have compared the ex-factory price and the MRP price. The MRP price is 15 times the ex-factory price, ten times the ex-factory price. Then how can I give up revenue? Therefore, what we have done is, we have taken power to notify those products where MRP is required to be published, i.e. maximum retail price required to be published and we are going to invite them to show cause why excise duty should not be calculated after giving abatement for certain factors against the MRP. I think that is perfectly valid in law. We have got legal opinions which say it is valid. Nothing is going to happen overnight. we will notify the products. They will challenge it. We will issue a show-cause notice, that will be challenged. We will give them a hearing, that will be challenged. We will finally fix the ex-factory price which will be challenged. It is not an easy task. I am beginning something so that I do not lose revenue. Product ex-factory price is Rs. 6, MRP price is Rs. 84. I am collecting excise duty of Rs. 6 whereas he is selling it at Rs. 84. Surely, the difference between 6 and 84 is not accounted for by post-manufacturing expenses. Therefore, there has to be some value; the real value has to be discovered and we are trying to discover the real value of manufacture through this method.

SHRI RAGHAVJI: Again there is a sales tax.

SHRI P. CHIDAMBARAM: We will abate all that. We will give abatement for all that.

SHRI RAGHAVJI: Then there should be no sales tax.

SHRI P. CHIDAMBARAM: No, no Mr. Raghavji, we will take 84 as a price, we will give them abatement for sales tax, dealers' commission, wholesaler commission, retailer Commission and arrive at a true ex-factory price. True ex-factory price cannot be Rs. 6 and MRP Rs. 84. I am giving an example. I am not even naming the product. We will notify, we will give a show cause notice, we will take care of that. Madam, that I think deals with most of the maior issues which

were raised; I am sure there were many other issues that were raised. We will have occasion to discuss it at other times. Mr. Agarwal wanted a White Paper on borrowings. Let my White Paper on external debt, let my White Paper on subsidies be discussed first, then I will give a White Paper on borrowing also. I have no hesitation. In fact, I believe that there must be a debate on this. We cannot duck these issues. We are too mature a nation to dock issues. We must be willing to face issues with courage. Subsidy is an issue which must be faced with courage. Internal and external debt are issues which have to be faced with courage. Borrowings is an issue which has to be faced with courage. I will, at an appropriate time after reflecting on it, come back and tell you whether it is possible to make a white paper on borrowings.

Finally, it is pretty naive to describe a Bugdet as pro-rich or pro-poor. These are worn-out classifications. These are cliches. We know that there are poor people in this country. What does the CMP say? Does the CMP say that we should give hand-outs to the poor people? The CMP says and I quote:

> "Growth with social justice will be the motto of the United Front Government."

There is no substitute for growth. It is growth which creates jobs and generates incomes. The United Front is committed to faster economic growth. The country's GDP needs to grow at over 7% per year in the next 10 years in order to abolish the endemic poverty and unemploymemt. Then, there is a chapter on social justice and what we need to do on social justice. We have provided vast amount of money for social justice. I gave out those figures during the Budget intervention. But there is no substitute for growth. We must gorw at 7%. We must attain eight per cent growth by the year 2000 AD. We must aim at ten per cent growth in the 21st century. Other countries are doing it. The Ninth Plan projects 7% growth. We must raise out savings; we must raise our investments; we must improve our incremental capital output ratio. We have to do all these things. That is the only way we can become a strong, powerful and modern nation. There is no pride in being backward. There is no pride in poverty. Nobody wants to be poor. An hon. Member talked about women defecating on the streets. He did not say that women have to answer the calls of nature before dawn and after dush. Just travel in the rural area. They will have to answer the calls of nature before dawn and after dusk because a sense of shame is there in answering calls of nature in public. You think the poor do not have a sense of dignity! The poor have greater dignity than the rich. But they have to bear with indignities that poverty heaps upon them. Indira Gandhiji used to say that poverty is the greatest polluter. Poverty heaps the greatest indignity upon people. We must abolish poverty and our neighbours have abolished poverty. We debated the poverty proportion in India. We debated whether the Lakdawala was right or some other formula was right and we finally ended up by saying that 36% of India was poor. Is there any pride in that? The Indonesian Minister told me that only 11% of his country was poor. The Malaysian Minister told me that only 8% of his country was poor. In Singapore, nobody was absolutely poor. There is nobody who is below absolute poverty in Singapore. Should we not aspire to that? We can aspire to that only if we grow. If my Budget does nothing, at least it sends a message throughout the length and breadth of this country that there is no substitute for growth. India must grow. India can grow. Give the new philosophy a chance to prove itself. We have tried other methods. The *deregiste* model has failed throughout the world. No country adopts it today. To ask us to go back to the *deregiste* model is the greatest disservice that we will do to this country. Let us put faith in our people. Let us put faith in the entrepreneurial

skills of our people. Let us put faith in our young men and women. there are 20 million young men and women outside India. The Indian dispora is one of the largest in the world. Is there any one of the 20 million who believes that what we are doing today is wrong and what we did ten years ago is right? No. Every one of them—you travel anywhere in the world—will tell you. Pick up the telephone. They will tell you. They visit us. They tell you. Why don't we get along with the business that will make India strong and great? We can do it. I said it in Japan that India would become the foruth largest economy in the world in purchasing power terms by the year 2015. Yet we will be a moderately developed country. We will not be as rich as Switzerland and Japn. But we can be one day if we continue to grow at 7 or 8 per cent. China has done it in 15 years. TheSouth-East Asian countries have done it in 25 years. We began late. We began in 1991. Let us give ourselves a target. Let us give ourselves certain goals, measurable goals—goals which I can measure in my life time. We are no longer talking about prosperity in our children's life time or grant-children's life time. Let us talk about abolishing poverty in our life time—over the next 10 years, over the next 15 years. It is possible. It is within our grasp. We only have to reach out and grasp the opportunities that are before India. I believe, Madam, that this Budget and this Finance Bill takes us one step forward towards the goal that we have set for ourselves and I humbly request all the hon. Members to support the Finance Bill and return it to the Lok Sabha. Thank you.

SHRI SURINDER KUMAR SINGLA: Madam, there is only one small question.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): No questions, *(Interruptions)* No questions now.

SHRI SANJAY NIRUPAM: Madam,...

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): No questions, please. Please sit down.

SHRI SANJAY NIRUPAM: Madam, I just want to ask one basic..

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): No questions. Please sit down now. I shall now put the motion regarding the Appropriation (No. 3) Bill, 1997 to vote.

The question is:—

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1997-98, as passed by Lok Sabha, be taken into consideration."

The Motion was adopted.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): We shall now take up clause by clause consideration of the Bill.

Clauses 2 to 4 and the Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added tothe Bill.

SHRI P. CHIDAMBARAM: Madam, I move:

"That the Bill be returned."

The question was put and the motion was adopted.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): I shall now put the Finance Bill, 1997 to vote.

The question is:—

"That the Bill to give effect to the financial proposals of the Central Government for the Financial year 1997-98, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): We shall now take up clause by clause consideration of the Bill.

Clauses 2 to 10 were added to the Bill.

SHRI SATISH AGARWAL: Madam, there were some amendments to be moved by Shri Raghavji. I will request him not to move those amendments so that we can pass the Bill.

SHRI P. CHIDAMBARAM: Yes, I would request Shri Raghavji not to move those amendments.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): Raghavji, do you want to move those amendments?

SHRI RAGHAVJI: No, Madam, I do not want to move.

Caluses 11 to 90, the First Schedule, the Second Schedule, the Third Schedule and the Foruth Schedule were added to the Bill.

Caluse 1, the Enacting Formula and the Title were added to the Bill

SHRI P. CHIDAMBARAM: Madam, I move:

"That the Bill be returned."

The question was put and the motion was adopted.

SHRI P. CHIDAMBARAM: Madam, I am deeply grateful to all sections of the House for passing the Finance Bill.

THE VICE-CHAIRMAN (SHRIMATI KAMLA SINHA): The House is adjourned till 11 o' clock tomorrow.

The House then adjourned at thirty-five minutes past six of the clock till eleven of the clock on Wednesday, the 14th of May, 1997.